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**State of Wisconsin**  
**2001 - 2002 LEGISLATURE**

LRB-0311/2 3

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**2001 BILL**

In 11/28

(repealable)

1 **AN ACT** *to repeal* 11.01 (5m), 11.01 (12s), 11.05 (3) (o), 11.05 (9) (b), 11.06 (11),  
2 11.24 (1m), 11.26 (9) (c), 11.26 (12m), 11.265, 11.31 (2m), 11.50 (2) (h), 11.50 (2)  
3 (i), 11.50 (3) (b), 11.50 (4) (d) and 13.625 (1) (c) 1. and 2.; *to renumber* 11.05 (2r)  
4 (title), 11.05 (9) (a), 11.24 (2) and 11.50 (7); *to renumber and amend* 11.05 (2r),  
5 11.12 (6), 11.50 (1) (a) 1., 11.50 (1) (a) 2., 11.50 (3) (a) (intro.), 11.50 (3) (a) 1. and  
6 2., 11.50 (3) (a) 3., 11.50 (9) and 13.625 (1) (c) (intro.); *to amend* 5.02 (13), 7.08  
7 (2) (c) and (cm), 7.70 (3) (e) 1., 8.30 (2), 8.35 (4) (a) 1. a. and b., 8.35 (4) (c) and  
8 (d), 10.02 (3) (b) 2m., 11.05 (1), 11.05 (3) (c), 11.05 (3) (n), 11.05 (5), 11.05 (13),  
9 11.06 (1) (intro.), 11.06 (1) (e), 11.06 (2), 11.06 (4) (b), 11.06 (5), 11.06 (7m) (a),  
10 11.06 (7m) (c), 11.07 (5), 11.09 (3), 11.10 (1), 11.12 (2), 11.12 (4), 11.12 (5), 11.14  
11 (3), 11.16 (2), 11.16 (5), 11.19 (title), 11.19 (1), 11.20 (1), 11.20 (7), 11.20 (9), 11.20  
12 (10) (a), 11.20 (12), 11.21 (2), 11.21 (15), 11.21 (16), 11.22 (3), 11.23 (1), 11.23 (2),  
13 11.26 (1) (a) to (c), 11.26 (2) (a), 11.26 (4), 11.26 (8), 11.26 (9) (a) and (b), 11.26  
14 (10), 11.26 (17) (a), 11.31 (1) (intro.), 11.31 (1) (a) to (d), 11.31 (1) (e) and (f), 11.31

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(2), 11.31 (3), 11.38 (1) (a) 2., 11.38 (1) (a) 3., 11.38 (6), 11.38 (8) (b), 11.50 (2) (a), 11.50 (2) (b) 5., 11.50 (2) (c), 11.50 (2) (g), 11.50 (4) (intro.), 11.50 (4) (a), 11.50 (4) (c), 11.50 (4) (cm), 11.50 (5), 11.50 (9) (title), 11.50 (11) (e), 11.60 (4), 11.61 (1) (a), 13.625 (1) (b) 3., 13.625 (2), 13.625 (6), 15.61, 20.510 (1) (q), 25.42, 71.10 (3) (a), 71.10 (3) (b) and 71.26 (1) (a); **to repeal and recreate** 11.05 (9) (title); and **to create** 7.08 (2) (cs), 11.01 (13) and (20), 11.01 (16) (a) 3., 11.05 (3) (m), 11.05 (3) (r), 11.06 (2m) (b) to (d), 11.12 (2m), 11.12 (6) (c) and (d), 11.12 (8) and (9), 11.19 (1m) and (6), 11.24 (1v), 11.24 (4), 11.26 (8m), 11.26 (8n), 11.31 (1) (de), 11.31 (1m), 11.31 (3p), 11.31 (9), 11.50 (1) (a) 1. (intro.), 11.50 (1) (a) 2m., 11.50 (1) (am), 11.50 (1) (bm) and (cm), 11.50 (2m), 11.50 (2s), 11.50 (2w), 11.50 (4m), 11.50 (7) (bm), 11.50 (9) (a) 1. and 2., 11.50 (9) (b) and (ba), 11.50 (14), 13.625 (3m), 20.855 (4) (ba), 71.05 (6) (a) 21., 71.07 (5) (a) 9., 71.07 (6n), 71.10 (4) (cn), 71.26 (2) (b) 1g., 71.26 (3) (e) 4., 71.34 (1) (ad), 71.45 (2) (a) 16. and 806.04 (11m) of the statutes; **relating to:** campaign financing, lobbying regulation, designations for the Wisconsin election campaign fund by individuals filing state income tax returns, income and franchise tax deductions for certain business expenses related to lobbying, creating a nonrefundable individual income tax credit for certain campaign contributions, composition and staffing of the elections board, providing exemptions from emergency rule procedures, granting rule-making authority, and making appropriations.

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***Analysis by the Legislative Reference Bureau***

This bill makes numerous changes in the campaign financing law. The bill also makes changes to the lobbying regulation and income and franchise tax laws and to the composition and staffing of the elections board. Significant changes include:

**BILL****FILING OF CAMPAIGN FINANCE REPORTS****1. Exemption from reporting**

Currently, any individual who or committee that accepts contributions, makes disbursements, or incurs obligations in connection with an election for state or local office, exceeding \$25 cumulatively within a calendar year is potentially subject to requirements to register with the appropriate filing officer and to file campaign finance reports.

This bill permits ~~each~~ an individual or committee to claim an exemption from reporting requirements if the individual or committee does not accept contributions, make disbursements, or incur obligations exceeding \$1,000 cumulatively within a calendar year with respect to an election for state office, and does not accept contributions exceeding \$100 from a single source cumulatively within a calendar year. If an individual or committee does not accept contributions, make disbursements, or incur obligations with respect to an election for any state office but accepts contributions, makes disbursements, or incurs obligations with respect to an election for local office, the bill permits the individual or committee to claim an exemption from reporting requirements only if the individual or committee does not accept contributions, make disbursements, or incur obligations exceeding \$100 cumulatively within a calendar year.

**2. Electronic filing**

Currently, reports under the campaign finance law must be filed by certain dates specified by law and must cover time periods specified by law. Candidates for state office or their personal campaign or authorized support committees and other individuals, committees, and groups supporting or opposing candidates for state office or statewide ballot questions file their reports with the state elections board. Each registrant for whom the elections board serves as a filing agency and who or that accepts contributions in a total amount or value of \$20,000 or more during a campaign period, or a biennial period for a registrant other than a candidate or personal campaign or support committee, must file reports with the board electronically. Any registrant who or that files a report electronically must also file a copy of the report recorded on a medium prescribed by the board.

This bill requires each committee that is currently required to file its campaign finance reports electronically to file those reports within 24 hours after a reportable transaction occurs. In accordance with current law, the bill also requires registrants who file electronically to file copies of reports, at the times currently prescribed by law, recorded on a medium prescribed by the board. The change applies effective with reports filed on or after the day on which the bill becomes law.

**3. Special reporting by certain registrants**

Currently, a committee making contributions or a candidate or other individual or committee accepting contributions, making disbursements, or incurring obligations in support of or opposition to a candidate is generally required to file a report no later than the eighth day before a primary or election at which the candidate seeks nomination or election to office. The report must disclose contributions made or accepted, disbursements made, and obligations incurred

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through the 14th day prior to the primary or election. Currently, if a candidate for state office receives one or more contributions from a single contributor aggregating \$500 or more during the 14-day period preceding an election, the candidate must report to the elections board the information currently required to be disclosed pertaining to contributions received by the candidate no later than 24 hours following receipt of any such contribution or contributions.

This bill requires each candidate at the general or a special election for a major state office (the office of governor, lieutenant governor, attorney general, secretary of state, state treasurer, superintendent of public instruction, justice of the supreme court, state senator, or representative to the assembly) who does not accept a public grant (see below) and who makes any disbursement after the candidate has accumulated cash in his or her campaign depository or has made disbursements in his or her campaign exceeding a combined total of 75% of the amount of the disbursement limitation for the office that the candidate seeks, to file daily reports, by electronic mail or facsimile transmission, with the elections board and with each candidate whose name appears on the ballot for the office in connection with which the disbursement is made and to include in those reports, no later than 24 hours after each disbursement is made, the information that is currently required to be reported pertaining to disbursements made by candidates.

The bill similarly requires each committee that makes any disbursement for the purpose of advocating the election or defeat of a candidate for a major state office at the general election or a special election independently of any candidate who is supported or whose opponent is opposed, within 60 days of that election or the primary for that election, to file daily reports, by electronic mail or facsimile transmission, with the elections board and with each candidate whose name appears on the ballot for the office in connection with which the disbursement is made and to include in those reports, no later than 24 hours after each disbursement is made, information specifying the name of each candidate who is supported or whose opponent is opposed, and the total amount of disbursements made in support of or in opposition to that candidate.

**4. Mass communications**

Currently, individuals who accept contributions, organizations which make or accept contributions, or individuals who or organizations which incur obligations or make disbursements for the purpose of influencing an election for state or local office are generally required to register with the appropriate filing officer and to file financial reports with that officer, regardless of whether they act in conjunction with or independently of any candidate who is supported or opposed.

With certain exceptions, this bill imposes registration and reporting requirements, in addition, upon any individual who or organization that, within 60 days of an election and by means of a newspaper, periodical, commercial billboard, radio station, television station, mass mailing, or telephone bank operator, makes a communication which includes the name or likeness of a candidate at that election, an office to be filled at that election, or a political party. The bill, however, does not require registration and reporting if the communication is made by a corporation,

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The daily reports must be filed during the time period beginning with the date of the disbursement that triggers the requirement

become due or on the 14th day after the primary election or the date of a primary would be held, if required, and ending with date of the election at which the candidate seeks office.

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cooperative, or nonpolitical voluntary association and is limited to the corporation's, cooperative's, or association's members, shareholders, or subscribers.

**5. Timeliness in filing reports**

Currently, where a requirement is imposed under the campaign finance law for filing of a report by a specified date, the requirement may be satisfied by depositing the report with the U.S. postal service no later than the date provided by law for receipt of the report.

This bill permits satisfaction of the filing requirement only by delivering a report to the appropriate filing officer or agency on or before the date provided by law for receipt of the report or by depositing the report with the U.S. postal service no later than the third day before that date.

**DISBURSEMENT LIMITATIONS AND INDEPENDENT DISBURSEMENTS**

Under current law, disbursement (expenditure) levels are specified for candidates for various state and local offices. These levels become a binding limitation upon any candidate for state office who accepts a state grant from the Wisconsin election campaign fund or who agrees to be bound by the limitation, unless the candidate is opposed by a major opponent who could have qualified for a grant but declines to accept one. A candidate for state office who accepts a grant from the Wisconsin election campaign fund and who agrees to be bound by the disbursement limit applicable to the office which the candidate seeks may receive a grant equal to 45% of that disbursement limit, less certain committee contributions accepted by the candidate, if there are sufficient moneys in the fund to finance the full amount of grants for which candidates qualify.

Current law also imposes registration and financial reporting requirements on committees and individuals making disbursements independently of a candidate in support of or in opposition to a candidate for a state or local office. One requirement is the obligation of the committee or individual to file reports with the appropriate filing officer within 24 hours of making such a disbursement, if the disbursement is made less than 15 days before a primary or election and if the cumulative amount of such disbursements exceeds \$20.

This bill:

1. Revises the current disbursement levels applicable to candidates for the offices shown in the following chart:

<i>Office</i>	<i>Current Level</i>	<i>Proposed Level</i>
Governor	\$1,078,200	\$2,000,000
Lieutenant governor	323,475	500,000
Attorney general	539,000	700,000
Secretary of state	215,625	250,000
State treasurer	215,625	250,000
Supreme court justice	215,625	300,000
State superintendent	215,625	250,000

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State senator	34,500	100,000
Representative to the assembly	17,250	50,000

2. Provides that the total disbursement limitation for a candidate whose name appears on the ballot at a primary election and who receives less than twice as many votes at that election as another candidate for the same office is 120% of the amount provided for the candidate receiving the greatest number of votes for that office.

3. Creates a biennial cost-of-living adjustment that causes the statutory disbursement levels to be adjusted biennially, beginning in 2004, in accordance with a formula tied to the "consumer price index" determined by the U.S. department of labor.

4. Replaces the provision requiring reports of cumulative independent disbursements exceeding \$20 made later than 15 days prior to a primary or election with a provision that requires cumulative independent disbursements *or obligations* exceeding \$20 during that period to be so reported.

5. Increases the disbursement limitation of any candidate who accepts a public grant by: a) an amount equal to any independent disbursements that are made to oppose that candidate, or to support that candidate's opponent, exceeding 10% of the disbursement limitation for the office that the candidate seeks; and b) the total amount of disbursements exceeding the amount of the disbursement limitation for that office made by any opposing candidate who does not accept a public grant.

6. Repeals the procedure by which a candidate who would not otherwise be subject to statutory disbursement limitations may voluntarily agree to comply with these limitations.

7. Repeals the exemption from disbursement limitations that currently applies to any candidate who accepts a grant from the Wisconsin election campaign fund and who is opposed by a major opponent who could have qualified for a grant but declines to accept one. Under the bill, the candidate accepting the grant remains bound by the applicable disbursement limitations.

**CONTRIBUTION LIMITATIONS**

Current law limits the amount of contributions which may be given to and accepted by a candidate for state or local office. Currently, individuals are subject to limitations on the amount of contributions made cumulatively to a particular candidate and on the aggregate total of contributions made to all candidates. ~~Then~~ <sup>an</sup> individual making a contribution to a candidate for statewide office may contribute up to \$10,000, an individual making a contribution to a candidate for the office of state senator may contribute up to \$1,000, and an individual making a contribution to a candidate for the office of representative to the assembly may contribute up to \$500. However, an individual may not contribute more than \$10,000 annually to all candidates combined.

~~This bill reduces these three individual contribution limitations and the aggregate individual contribution limitation by 50%. Under the bill, the limitation on individual contributions to candidates for statewide offices is \$5,000, the limitation on individual contributions to candidates for the office of state senator is \$500, and the limitation on individual contributions to candidates for the office of~~ <sup>this</sup> ~~representative to the assembly is \$250.~~ <sup>\$1,000</sup>

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representative to the assembly is \$250. The annual limitation on individual contributions to all candidates under the bill is \$5,000.

Under current law, committees other than political party committees and legislative campaign committees are subject to limitations on the amount of contributions made cumulatively to a particular candidate. ~~For example, a~~<sup>A</sup> committee may contribute up to \$43,238 to a candidate for statewide office. Current law also limits the cumulative amount of contributions that a committee may make annually to a particular political party, limits the cumulative amount of contributions that a political party may accept annually from a particular committee, and limits the aggregate total of contributions that a political party may accept during any biennium from all committees. Currently, a committee may annually contribute up to \$6,000 to a particular political party, a political party may annually accept up to \$6,000 from a particular committee, and a political party may accept up to \$150,000 in contributions from all committees during any biennium.

Under this bill, the limitation on committee contributions to candidates for statewide office is increased to \$45,000, the limitation on committee contributions to a particular political party, and on the annual amount that a political party may accept from a particular committee, is increased to \$12,000, and the aggregate limitation on contributions that a political party may accept during a biennium from all committees is increased to \$300,000.

Currently, no candidate who accepts a grant from the Wisconsin election campaign fund or who files an affidavit affirming his or her voluntary compliance with statutory disbursement limitations may make contributions to his or her own campaign exceeding 200% of the limitations applicable to other individuals making contributions to his or her campaign. This bill provides, instead, that no candidate who accepts a grant from the Wisconsin election campaign fund may make contributions to his or her own campaign exceeding \$1,000.

**TREATMENT OF LEGISLATIVE CAMPAIGN COMMITTEES**

Currently, the adherents of any political party in either house of the legislature may organize a "legislative campaign committee" to support the candidacy of members of their party for legislative office. Committees other than legislative campaign committees and political party committees are generally subject to a limitation upon the contributions that they may make to candidates for legislative office or to political parties. Legislative campaign committees are subject only to overall limitations on the aggregate contributions that may be accepted by a candidate from entities other than individuals.

This bill eliminates the special status of legislative campaign committees, thus causing them to be treated in the same manner as other special interest committees for the purpose of contribution limitations.

**OTHER CONTRIBUTION RESTRICTIONS**

This bill creates the following new prohibitions on contributions:

1. It prohibits contributions to incumbents who are seeking reelection to a partisan state office from the first Monday in January of each odd-numbered year through the enactment of the biennial budget act and, thereafter, during any floorperiod, including any special or extraordinary session floorperiod. The

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prohibition does not apply to contributions made to an incumbent who is subject to a recall election from the date on which the petition for a recall election is filed until the date of the recall election.

2. It prohibits any committee from making a contribution to any special interest committee. The prohibition does not apply to a labor organization that transfers a contribution to an affiliated labor organization.

3. It prohibits any personal campaign committee or support committee authorized by a prospective candidate from making a contribution to any other such committee.

4. It prohibits any lobbyist from making a contribution to a partisan elective state official or candidate for a partisan elective state office or to such an official's or candidate's personal campaign committee, except that the bill permits a lobbyist to make a campaign contribution to a candidate for elective state office, or to the personal campaign committee of such a candidate, if the candidate seeks office in the jurisdiction or district where the lobbyist resides. Currently, a lobbyist may make a contribution to any partisan elective state official or candidate for a partisan elective state office in the year that an official or candidate seeks election between June 1 and the day of the general election.

5. It prohibits a member of the legislature, or a member's personal campaign committee, from soliciting a lobbyist or principal to arrange for another person to make a campaign contribution to that member or committee. Currently, an elective state official is prohibited from soliciting a lobbyist or principal to make a prohibited campaign contribution.

6. It prohibits any registrant from accepting any contribution made by a committee or group that does not maintain an office or street address within this state at the time that the contribution is made, unless that committee or group is registered with the federal election commission under federal law. Federal law generally requires registration and reporting by organizations only when they receive contributions or make expenditures with respect to elections for federal office.

Currently, if a registrant receives a contribution, the registrant must deposit the contribution in its campaign depository account no later than the end of the fifth business day commencing after receipt, unless the registrant returns the contribution before that time. A registrant must report the occupation and principal place of employment of any individual who makes any contribution or contributions to a registrant exceeding \$100 in amount or value cumulatively within a calendar year. This bill provides that whenever a registrant receives a contribution in the form of money the registrant must obtain this information from a contributor, if required, before depositing the contributor's contribution in its campaign depository account. Under the bill, if the registrant does not obtain the required information within the period prescribed for making deposits, the registrant must return the contribution.

**CONTRIBUTIONS THROUGH CONDUITS**

Currently, if an individual or organization receives a political contribution consisting of money and transfers the contribution to another individual or

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organization without exercising discretion as to the amount to be transferred and the individual to whom or the organization to which the transfer is made, the contribution is considered to be made by the original contributor for purposes of reporting by the ultimate recipient. The contribution is also treated as an individual contribution for purposes of determining compliance with contribution limitations and qualifying contributions for public grants. The individual or organization making the transfer is called a "conduit" under the law. In most cases, a conduit is required to register and file campaign finance reports unless the conduit does not transfer any contributions to candidates or to personal campaign, legislative campaign, or political party committees.

This bill treats a contribution of money transferred by a conduit as a contribution from the conduit rather than from the individual contributor for purposes of reporting by the ultimate recipient and for purposes of determining contribution limitations and qualifying contributions for public grants. Thus, under this bill, a contribution of money that is transferred by a conduit that is a committee is included within the overall limitation on contributions that a candidate may derive from public grants and from contributions received from committees. In addition, these contributions may not be used to qualify for a public grant.

**DISPOSITION OF RESIDUAL OR EXCESS FUNDS**

Under current law, residual funds remaining when a person who is required to register under the campaign financing law disbands or ceases incurring obligations, making disbursements, or accepting contributions or excess funds received by a registrant that may not be legally expended may generally be used for any lawful political purpose, returned to the original contributors, or donated to a charitable organization or the common school fund.

This bill allows residual or excess funds to be transferred to the Wisconsin election campaign fund. The bill also requires residual contributions received by a personal campaign committee formed to support the campaign of a partisan state officeholder who seeks election to another office and, subsequently, decides not to run for that other office, which exceed 10% of the statutory disbursement level for the office that the candidate holds, to be either returned to the donors or transferred to the Wisconsin election campaign fund. In addition, the bill limits the amount of contributions which remain unencumbered after December 31 of an even-numbered year that a candidate for partisan state office or such a candidate's personal campaign committee may carry over from a general election campaign to another campaign to not more than 10% of the candidate's disbursement level. Under the bill, contributions in excess of that amount must be transferred to the Wisconsin election campaign fund.

**WISCONSIN ELECTION CAMPAIGN FUND*****Sources and uses of funds***

Under current law, the Wisconsin election campaign fund is financed through an individual income tax "checkoff." Every individual filing a state income tax return who has a tax liability or is entitled to a tax refund may direct that \$1 of general purpose revenue be transferred to the fund. Individuals filing a joint return may separately choose whether to direct that the \$1 transfer be made. All moneys

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transferred to the fund are placed in accounts for specified state offices, and candidates for those offices may qualify for grants from the fund to be used for specified campaign expenses. No moneys in the fund may be used for any other purpose.

This bill:

1. Increases the amount of the individual income tax checkoff for the Wisconsin election campaign fund from \$1 to \$5, effective for tax returns filed for taxable years beginning on or after January 1 following the day on which the bill becomes law. Under the bill, individuals filing a joint return may separately choose whether to make the \$5 checkoff. The bill also permits individuals to determine whether to designate their checkoffs for a "general account," which is distributed ~~in the same manner as currently provided~~, or for the account of an eligible political party (see below). However, if the amounts designated by tax filers for the account of an eligible political party are greater than the amounts needed to fully fund payment of the maximum grants payable to candidates of that party who qualify for grants, the excess amounts are transferred to the general account.

2. Authorizes the state elections board to set aside an amount not exceeding 5% of the moneys transferred to the Wisconsin election campaign fund in each year, before distributions are made to candidate office accounts, to provide public information concerning the purpose and effect of the fund and the income tax checkoff for the fund. As part of the public information program, the board must prepare an easily understood description of the purpose and effect of the fund and the tax checkoff. The department of revenue is required to include and highlight the description in its income tax preparation instructions related to the tax checkoff.

3. Provides a sum sufficient appropriation from general purpose revenue to supplement the amounts otherwise available for campaign financing through the Wisconsin election campaign fund so as to enable all eligible candidates to receive the maximum grants for which they qualify.

4. Provides that, if a grant is used to purchase an advertisement from a broadcast or communications medium, the advertisement may not include any voice other than the voice of the candidate to whom the grant is provided.

**Grant eligibility requirements and amounts**

Under current law, public financing from the Wisconsin election campaign fund is available to eligible candidates for the offices of state senator, representative to the assembly, governor, lieutenant governor, attorney general, state treasurer, secretary of state, justice of the supreme court, and superintendent of public instruction. To receive a grant, a candidate must file an application with the state elections board no later than the deadline for filing nomination papers. Following the primary election or the date on which a primary would be held, if required, the board determines whether a candidate who applies for a grant meets the following eligibility requirements:

1. If the candidate seeks a partisan state office at a general election, the candidate must have received at least 6% of the total votes cast in the primary and have won the primary. If the candidate seeks a partisan state office at a special election, the candidate must either: a) appear on the ballot or in the column of a

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political party whose candidate for the same office at the preceding general election received at least 6% of the vote; or b) receive at least 6% of the votes cast at the special election.

2. The candidate must have an opponent in the election.

3. The candidate must receive, during a specified time period, a specified amount through contributions from individuals of \$100 or less. For a candidate for the office of governor, lieutenant governor, secretary of state, state treasurer, attorney general, justice of the supreme court, or superintendent of public instruction, the amount is 5% of the authorized disbursement level for the office which the candidate seeks. For a candidate for the office of state senator or representative to the assembly, the amount is 10% of the authorized disbursement level for the office which the candidate seeks.

Under current law, a candidate for any office who accepts a grant must comply with statutorily prescribed contribution and disbursement limitations, unless at least one of the candidate's opponents who received at least 6% of the votes cast for all candidates for that office at a partisan primary, if a primary was held, does not accept a grant and does not voluntarily agree to comply with the contribution and disbursement limitations for that office. The maximum grant that a candidate may receive is that amount which, when added to all other contributions accepted from sources other than individuals, political party committees, and legislative campaign committees, is equal to 45% of the authorized disbursement level for the office which the candidate seeks.

Currently, the elections board must notify the state treasurer that a candidate has qualified to receive a grant as soon as possible after the board is able to determine that the candidate has qualified to receive the grant. The state treasurer then has three business days to transmit the grant to the candidate.

This bill:

1. Decreases the percentage of the total votes cast that a candidate for a partisan state office must receive in order to be eligible to receive a grant from the Wisconsin election campaign fund to 2% of the total votes cast in the primary election.

2. Provides that a candidate for the office of state senator or representative to the assembly must receive contributions equal to only 5% of the authorized disbursement level for the office which the candidate seeks in order to qualify for a grant, but provides that the contributions of \$100 or less from individuals used by a candidate for any state office to determine eligibility for a grant from the Wisconsin election campaign fund must be made by individuals who reside in this state and, in the case of a candidate for legislative office, by individuals at least 50% of whom reside in a county having territory within the district in which the candidate seeks office.

4. ~~Increases the maximum grant that a candidate for the office of justice of the supreme court or superintendent of public instruction may receive to that amount which, when added to all other contributions accepted from sources other than individuals and political party committees, is equal to 75% of the authorized disbursement level for the office which the candidate seeks.~~

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maximum grant that a candidate for any other state office may receive is 45% of the authorized disbursement level for the office that the candidate seeks, unless the candidate qualifies to receive a supplemental grant (see below)

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4. Retains the current system of grants from a "general account" for which moneys may be designated by tax filers but permits qualifying candidates for the state offices for which grants for campaign expenses are currently available who represent political parties that qualify for a separate column or row on the ballot at the general election to obtain grants from designations made by tax filers for their party. Under the bill, amounts otherwise payable to a candidate who would qualify to receive a grant if the candidate had an opponent and amounts otherwise payable to a candidate for an office for which a party has no candidate or to a candidate who is opposed but who fails to qualify for a grant are transferred to the general account.

5. Provides that a candidate who accepts a grant shall receive a supplemental grant in an amount equal to: a) the amount of any independent disbursements that are made to oppose that candidate, or to support that candidate's opponent, exceeding 10% of the disbursement limitation for the office that the candidate seeks; and b) the total amount of disbursements exceeding the amount of the disbursement limitation for that office made by an opposing candidate who does not accept a grant.

6. Requires the elections board and state treasurer to electronically transmit supplemental grants to qualifying candidates who so request within 24 hours after the candidates qualify to receive the supplemental grants.

**INITIAL APPLICABILITY**

All campaign finance changes under the bill apply to elections held on or after the day on which the bill becomes law.

**TAX CREDITS AND DEDUCTIONS**

The bill eliminates a current state income and franchise tax deduction for certain business expenses that lobbyists incur, effective for tax returns filed for taxable years beginning on or after January 1, 2003. Currently, this deduction may be claimed for expenses incurred in direct connection with: 1) appearances before, submission of statements to, or sending communications to a federal, state, or local legislative body, a legislative committee, or an individual legislator with respect to legislation or proposed legislation of direct interest to a taxpayer; or 2) communications between a taxpayer and an organization of which the taxpayer is a member with respect to legislation or proposed legislation of direct interest to the taxpayer and the organization. Under the bill, dues paid to any organization remain deductible to the extent that they are attributable to expenses of these activities.

This bill also creates an income tax credit for individuals who make one or more contributions up to a maximum of \$50 per taxable year, to a state or county committee or a political party or a candidate for state office who files an application for a grant from the Wisconsin election campaign fund in which the candidate agrees to be bound by disbursement and self-contribution limitations, if the application is accepted by the elections board. In order to be eligible for a credit, a contribution to a political party committee must be made to a committee of a party that qualifies for a separate ballot or column or row on the ballot, and a contribution to a candidate must be made to a candidate for office in the same jurisdiction or district in which the claimant resides. The credit is nonrefundable; no refund will be paid if the amount of the credit for which the claimant is otherwise eligible exceeds his or her tax liability.

*The maximum credit that may be claimed for any contribution is \$50 within any taxable year; the maximum credit that may be claimed for all contributions is \$100 within any taxable year.*

**BILL****ELECTIONS BOARD**

Under current law, the governor appoints all members of the elections board as follows: one member is selected by the governor and one member each is designated by the chief justice of the supreme court, the speaker of the assembly, the senate majority leader, the minority leader in each house of the legislature, and the chief officer of each political party qualifying for a separate ballot at the September primary whose candidate for governor at the most recent gubernatorial election received at least 10% of the vote (currently, the Republican and the Democratic parties).

This bill increases the potential number of political parties that may designate an individual to the governor for appointment to the board. Under the bill, any political party that qualified for a separate ballot at the preceding September primary may designate an individual to the governor for appointment to the board.

This bill also increases the authorized FTE positions for the board by 1.0 GPR campaign finance investigator position and 1.0 GPR auditor position.

**NONSEVERABILITY**

Currently, if any part of an act is found by a court to be invalid, those parts that are valid are severed from the invalid part and the severed parts continue in force. This bill provides that if any part of the act resulting from enactment of the bill relating to reporting of mass media activities, reporting of disbursements by committees acting independently of candidates and by candidates who decline to accept public grants, and provision of supplemental grants to candidates who are opposed or whose opponents are supported by those disbursements is found by a court to be invalid, then all of those parts of the act are void.

This bill will be referred to the joint survey committee on tax exemptions for a detailed analysis, which will be printed as an appendix to the bill.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

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***The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:***

1       **SECTION 1.** 5.02 (13) of the statutes is amended to read:

2       5.02 (13) "Political party" or "party" means a state committee registered under  
3       s. 11.05 and organized exclusively for political purposes under whose name  
4       candidates appear on a ballot at any election, and all county, congressional,  
5       legislative, local and other affiliated committees authorized to operate under the  
6       same name. For purposes of ch. 11, the term does not include a legislative campaign  
7       committee or a committee filing an oath under s. 11.06 (7).

**BILL****SECTION 2**

1       **SECTION 2.** 7.08 (2) (c) and (cm) of the statutes are amended to read:

2       7.08 (2) (c) As soon as possible after the canvass of the spring and September  
3 primary votes, but no later than the first Tuesday in March and the 4th Tuesday in  
4 September, transmit to the state treasurer a certified list of all eligible candidates  
5 for state office who have filed applications under s. 11.50 (2) and ~~whom~~ who the board  
6 determines ~~to be~~ are eligible to receive payments from the Wisconsin election  
7 campaign fund. The board shall also electronically transmit a similar list of  
8 candidates who the board determines are eligible to receive a grant under s. 11.50  
9 (9) (b) or (ba) within 24 hours after any candidate qualifies to receive such a grant.  
10 Each list shall contain each candidate's name, the mailing address indicated upon  
11 the candidate's registration form, the office for which the individual is a candidate  
12 and the party or principle which he or she represents, if any.

13       (cm) As soon as possible after the canvass of a special primary, or the date that  
14 the primary would be held, if required, transmit to the state treasurer a certified list  
15 of all eligible candidates for state office who have filed applications under s. 11.50 (2)  
16 and ~~whom~~ who the board determines ~~to be~~ are eligible to receive a grant from the  
17 Wisconsin election campaign fund prior to the election. The board shall also transmit  
18 a similar list of candidates, if any, who have filed applications under s. 11.50 (2) and  
19 ~~whom~~ who the board determines ~~to be~~ are eligible to receive a grant under s. 11.50  
20 (1) (a) 2. after the special election. The board shall electronically transmit a similar  
21 list of candidates who the board determines are eligible to receive a grant under s.  
22 11.50 (9) (b) or (ba) within 24 hours after any candidate qualifies to receive such a  
23 grant. Each list shall contain each candidate's name, the mailing address indicated  
24 upon the candidate's registration form, the office for which the individual is a  
25 candidate and the party or principle which he or she represents, if any.

**BILL**

1           **SECTION 3.** 7.08 (2) (cs) of the statutes is created to read:

2           7.08 (2) (cs) In each even-numbered year, certify to the state treasurer for the  
3           period beginning with the month following certification and ending with the month  
4           in which the next certification is made by the board:

5           1. No later than July 1, the name of each political party that qualifies under  
6           s. 11.50 (1) (am) 1. as an eligible political party as of the preceding June 1 and whose  
7           state chairperson has filed a request to establish an account for the party under s.  
8           11.50 (2s) (a).

9           2. No later than December 15, the name of each political party that qualifies  
10          under s. 11.50 (1) (am) 2. as an eligible political party as of the date of the preceding  
11          general election and whose state chairperson has filed a written request to establish  
12          an account for the party under s. 11.50 (2s) (a).

13          **SECTION 4.** 7.70 (3) (e) 1. of the statutes is amended to read:

14          7.70 (3) (e) 1. After each September primary, the name of each candidate not  
15          defeated in the primary who receives at least ~~6%~~ 2% of the total vote cast for all  
16          candidates on all ballots at the primary for each separate state office except district  
17          attorney, and the percentage of the total vote received by that candidate. ~~Such~~ The  
18          percentage shall be calculated within each district in the case of legislative  
19          candidates.

20          **SECTION 5.** 8.30 (2) of the statutes is amended to read:

21          8.30 (2) If no registration statement has been filed by or on behalf of a candidate  
22          for state or local office in accordance with s. 11.05 (2g) ~~or (2r)~~ by the applicable  
23          deadline for filing nomination papers by ~~such~~ the candidate, or the deadline for filing  
24          a declaration of candidacy for an office for which nomination papers are not filed, the  
25          name of the candidate may not appear on the ballot. This subsection may not be

**BILL****SECTION 5**

1 construed to exempt a candidate from applicable penalties if he or she files a  
2 registration statement later than the time prescribed in ss. 11.01 (1) and 11.05 (2g).

3 **SECTION 6.** 8.35 (4) (a) 1. a. and b. of the statutes are amended to read:

4 8.35 (4) (a) 1. a. ~~Donated to the former candidate's local or state political party~~  
5 ~~if~~ If the former candidate was a partisan candidate or, donated to the former  
6 candidate's local or state political party, donated to the a charitable organization of  
7 the former candidate's choice or the charitable organization chosen or transferred to  
8 the board for deposit in the Wisconsin election campaign fund, as instructed by the  
9 former candidate or, if the candidate left no instruction, by the former candidate's  
10 next of kin if the former candidate is deceased, or if no choice is made returned to the  
11 donors on a proportional basis; or

12 b. If the former candidate was a nonpartisan candidate, donated to the a  
13 charitable organization of the former candidate's choice or the charitable  
14 organization chosen or transferred to the board for deposit in the Wisconsin election  
15 campaign fund, as instructed by the former candidate or, if the candidate left no  
16 instruction, by the former candidate's next of kin if the former candidate is deceased;  
17 or

to the replacement candidate

18 **SECTION 7.** 8.35 (4) (c) and (d) of the statutes are amended to read:

19 8.35 (4) (c) The transfer under par. (b) shall be made and reported to the  
20 appropriate filing officer ~~in a special report submitted~~ by the former candidate's  
21 campaign treasurer. If the former candidate is deceased and was serving as his or  
22 her own campaign treasurer, the former candidate's petitioner or personal  
23 representative shall ~~file the report and make the transfer required by par. (b), if any~~  
24 and file the report. The report shall be made in the manner provided under s. 11.21  
25 (16), if applicable, or otherwise at the appropriate interval under s. 11.20 (2) or (4)



**BILL**

1 and shall include a complete statement of all contributions, disbursements and  
2 incurred obligations pursuant to s. 11.06 (1) covering the period from the day after  
3 the last date covered on the former candidate's most recent report to the date of  
4 disposition.

5 (d) The newly appointed candidate shall file his or her report in the manner  
6 provided under s. 11.21 (16), if applicable, or otherwise at the next appropriate  
7 interval under s. 11.20 (2) or (4) after his or her appointment. The appointed  
8 candidate shall include any transferred funds moneys in his or her first report.

9 **SECTION 8.** 10.02 (3) (b) 2m. of the statutes is amended to read:

10 10.02 (3) (b) 2m. At the September primary, the elector shall select the party  
11 ballot of his or her choice or the ballot containing the names of the independent  
12 candidates for state office, and make a cross ~~X~~ next to or depress the lever or button  
13 next to the candidate's name for each office for whom the elector intends to vote or  
14 insert or write in the name of the elector's choice for a party candidate, if any. In order  
15 to qualify for participation in the Wisconsin election campaign fund, a candidate for  
16 state office at the September primary, other than a candidate for district attorney,  
17 must receive at least ~~6%~~ 2% of all votes cast on all ballots for the office for which he  
18 or she is a candidate, in addition to other requirements.

19 **SECTION 9.** 11.01 (5m) of the statutes is repealed.

20 **SECTION 10.** 11.01 (12s) of the statutes is repealed.

21 **SECTION 11.** 11.01 (13) and (20) of the statutes are created to read:

22 11.01 (13) "Mass mailing" means the distribution of 50 or more pieces of  
23 substantially identical material.

24 (20) "Telephone bank operator" means any person who places or directs the  
25 placement of telephone calls to individuals.

## BILL

## SECTION 12

1       **SECTION 12.** 11.01 (16) (a) 3. of the statutes is created to read:

2       11.01 (16) (a) 3. A communication that is made by means of one or more  
3       communications media or a mass mailing, or through a telephone bank operator,  
4       other than a communication that is exempt from reporting under s. 11.29, that is  
5       made during the period beginning on the 60th day preceding an election and ending  
6       on the date of that election and that includes a name or likeness of a candidate whose  
7       name is certified under s. 7.08 (2) (a) or 8.50 (1) (d) to appear on the ballot at that  
8       election, the name of an office to be filled at that election, or the name of a political  
9       party.

10       **SECTION 13.** 11.05 (1) of the statutes is <sup>renumbered 11.05 (1) (a) and</sup> amended to read:

11       11.05 (1) <sup>(a)</sup> ~~COMMITTEES AND GROUPS~~. Except as provided in s. 9.10 (2) (d), every  
12       committee other than a personal campaign committee, ~~and every political group~~  
13       ~~subject to registration under s. 11.23 which~~ <sup>that</sup> makes or accepts contributions, incurs  
14       obligations or makes disbursements in a calendar year in an aggregate amount in  
15       excess of \$25 shall file a statement with the appropriate filing officer giving the  
16       information required by sub. (3). In the case of any committee other than a personal  
17       campaign committee, the statement shall be filed by the treasurer. A personal  
18       campaign committee shall register under sub. (2g) ~~or (2r)~~.

19       **SECTION 14.** 11.05 (2r) (title) of the statutes is renumbered 11.06 (2m) (title).  
20

21       **SECTION 15.** 11.05 (2r) of the statutes is renumbered 11.06 (2m) (a) and  
22       amended to read:

23       11.06 (2m) (a) Any person, committee or group, other than ~~a committee or an~~  
24       individual or committee required to file an oath under s. 11.06 (7), who or which does  
25       not anticipate accepting contributions, making disbursements or incurring  
obligations in an aggregate amount in excess of \$1,000 in a calendar year and does

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1 not anticipate accepting any contribution or contributions from a single source, other  
2 than contributions made by a candidate to his or her own campaign, exceeding \$100  
3 in that year may indicate on its registration statement that the person, committee  
4 or group will not accept contributions, incur obligations or make disbursements in  
5 the aggregate in excess of \$1,000 in any calendar year and will not accept any  
6 contribution or contributions from a single source, other than contributions made by  
7 a candidate to his or her own campaign, exceeding \$100 in such any calendar year.  
8 Any registrant making such an indication is not subject to any filing requirement if  
9 the statement is true. The registrant need not file a termination report. A registrant  
10 not making such an indication on a registration statement is subject to a filing  
11 requirement. The indication may be revoked and the registrant is then subject to a  
12 filing requirement as of the date of revocation, or the date that aggregate  
13 contributions, disbursements or obligations for the calendar year exceed \$1,000, or  
14 the date on which the registrant accepts any contribution or contributions exceeding  
15 \$100 from a single source, other than contributions made by a candidate to his or her  
16 own campaign, during that any calendar year, whichever is earlier. ~~If the revocation~~  
17 ~~is not timely, the registrant violates s. 11.27 (1).~~

18 **SECTION 16.** 11.05 (3) (c) of the statutes is amended to read:

19 11.05 (3) (c) In the case of a committee, a statement as to whether the  
20 committee is a personal campaign committee, a political party committee, a  
21 ~~legislative campaign committee~~, a support committee or a special interest  
22 committee.

23 **SECTION 17.** 11.05 (3) (m) of the statutes is created to read:

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1           11.05 (3) (m) In the case of a personal campaign committee, the name of the  
2 candidate on whose behalf the committee was formed or intends to operate and the  
3 office or offices that the candidate seeks.

4           **SECTION 18.** 11.05 (3) (n) of the statutes is amended to read:

5           11.05 (3) (n) In the case of a labor organization, or separate segregated fund  
6 under s. 11.38 (1) (a) 2. ~~or conduit established by a labor organization~~, a statement  
7 as to whether the organization is incorporated, and if so, the date of incorporation  
8 and whether or not such incorporation is under ch. 181.

9           **SECTION 19.** 11.05 (3) (o) of the statutes is repealed.

10          **SECTION 20.** 11.05 (3) (r) of the statutes is created to read:

11          11.05 (3) (r) In the case of a candidate or personal campaign committee of a  
12 candidate, the telephone number or numbers and a facsimile transmission number  
13 or electronic mail address, if any, at which the candidate may be contacted.

14          **SECTION 21.** 11.05 (5) of the statutes is amended to read:

15          11.05 (5) **CHANGE OF INFORMATION.** Any change in information previously  
16 submitted in a statement of registration shall be reported by the registrant to the  
17 appropriate filing officer within 10 days following the change. This period does not  
18 apply in case of change of an indication made under ~~sub. (2r)~~ s. 11.06 (2m), which  
19 shall be reported no later than the date that a registrant is subject to a filing  
20 requirement under ~~sub. (2r)~~ s. 11.06 (2m). Any such change may be reported only by  
21 the individual or by the officer who has succeeded to the position of an individual who  
22 signed the original statement; but in the case of a personal campaign committee, a  
23 candidate or campaign treasurer may report a change in the statement except as  
24 provided in s. 11.10 (2), and in the case of any other committee or group, the chief  
25 executive officer or treasurer indicated on the statement may report a change. If a

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1 preexisting support committee is adopted by a candidate as his or her personal  
2 campaign committee, the candidate shall file an amendment to the committee's  
3 statement under this subsection indicating that all information contained in the  
4 statement is true, correct and complete.

5 **SECTION 22.** 11.05 (9) (title) of the statutes is repealed and recreated to read:

6 11.05 (9) (title) DEPOSIT OF CONTRIBUTIONS.

7 **SECTION 23.** 11.05 (9) (a) of the statutes is renumbered 11.05 (9).

8 **SECTION 24.** 11.05 (9) (b) of the statutes is repealed.

9 **SECTION 25.** 11.05 (13) of the statutes is amended to read:

10 11.05 (13) BANK ACCOUNT AND POSTAL BOX; EXEMPTION. An individual, committee  
11 or group does not violate this section by accepting a contribution and making a  
12 disbursement in the amount required to rent a postal box, or in the minimum amount  
13 required by a bank or trust company to open a checking account, prior to the time of  
14 registration, if the disbursement is properly reported on the first report submitted  
15 under s. 11.20 or 11.21 (16) after the date that the individual, committee or group is  
16 registered, whenever a reporting requirement applies to the registrant.

17 **SECTION 26.** 11.06 (1) (intro.) of the statutes is amended to read:

18 11.06 (1) CONTENTS OF REPORT. (intro.) Except as provided in subs. (2), (2m),  
19 (3) and (3m) and ~~ss. 11.05 (2r) and s. 11.19 (2)~~, each registrant under s. 11.05 shall  
20 make full reports, upon a form prescribed by the board and signed by the appropriate  
21 individual under sub. (5), of all contributions received, contributions or  
22 disbursements made, and obligations incurred. Each report shall contain the  
23 following information, covering the period since the last date covered on the previous  
24 report, unless otherwise provided:

25 **SECTION 27.** 11.06 (1) (e) of the statutes is amended to read:

**BILL****SECTION 27**

1           11.06 (1) (e) An itemized statement of contributions over \$20 from a single  
2 source donated to a charitable organization or to the common school fund, with the  
3 full name and mailing address of the donee, and a statement of contributions over  
4 \$20 transferred to the board for deposit in the Wisconsin election campaign fund.

5           **SECTION 28.** 11.06 (2) of the statutes is amended to read:

6           11.06 (2) DISCLOSURE OF CERTAIN INDIRECT DISBURSEMENTS. Notwithstanding  
7 sub. (1), if a disbursement is made or obligation incurred by an individual other than  
8 a candidate or by a committee or group which is not primarily organized for political  
9 purposes, and the disbursement does not constitute a contribution to any candidate  
10 or other individual, committee or group, the disbursement or obligation is required  
11 to be reported only if the purpose is to expressly advocate the election or defeat of a  
12 clearly identified candidate or the adoption or rejection of a referendum or if the  
13 disbursement is made or the obligation is incurred to make a communication that is  
14 specified in s. 11.01 (16) (a) 3. The exemption provided by this subsection shall in no  
15 case be construed to apply to a political party, ~~legislative campaign~~, personal  
16 campaign or support committee.

17           **SECTION 29.** 11.06 (2m) (b) to (d) of the statutes are created to read:

18           11.06 (2m) (b) Any individual or committee who or which is required to file an  
19 oath under s. 11.06 (7) and who or which accepts contributions, makes disbursements  
20 or incurs obligations for the purpose of supporting or opposing one or more  
21 candidates for state office and who or which does not anticipate accepting  
22 contributions, making disbursements or incurring obligations in an aggregate  
23 amount in excess of \$1,000 in a calendar year and does not anticipate accepting any  
24 contribution or contributions from a single source exceeding \$100 in that year may  
25 indicate on its registration statement that the individual or committee will not

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1 accept contributions, incur obligations or make disbursements in the aggregate in  
2 excess of \$1,000 in any calendar year and will not accept any contribution or  
3 contributions from a single source exceeding \$100 in any calendar year. Any  
4 registrant making such an indication is not subject to any filing requirement if the  
5 statement is true. The registrant need not file a termination report. A registrant not  
6 making such an indication on a registration statement is subject to a filing  
7 requirement. The indication may be revoked and the registrant is then subject to a  
8 filing requirement as of the date of revocation, or the date on which aggregate  
9 contributions, disbursements or obligations for the calendar year exceed \$1,000, or  
10 the date on which the registrant accepts any contribution or contributions exceeding  
11 \$100 from a single source during any calendar year, whichever is earlier.

12 (c) Any individual or committee who or which is required to file an oath under  
13 s. 11.06 (7) and who or which accepts contributions, makes disbursements or incurs  
14 obligations for the purpose of supporting or opposing one or more candidates for local  
15 office but not for the purpose of supporting or opposing any candidate for state office  
16 and who or which does not anticipate accepting contributions, making  
17 disbursements or incurring obligations in an aggregate amount in excess of \$100 in  
18 a calendar year may indicate on its registration statement that the individual or  
19 committee will not accept contributions, incur obligations or make disbursements in  
20 the aggregate in excess of \$100 in any calendar year and will not accept any  
21 contribution or contributions from a single source, other than contributions made by  
22 a candidate to his or her own campaign, exceeding \$100 in any calendar year. Any  
23 registrant making such an indication is not subject to any filing requirement if the  
24 statement is true. The registrant need not file a termination report. A registrant not  
25 making such an indication on a registration statement is subject to a filing

**BILL****SECTION 29**

1 requirement. The indication may be revoked and the registrant is then subject to a  
2 filing requirement as of the date of revocation, or the date that aggregate  
3 contributions, disbursements or obligations for the calendar year exceed \$100,  
4 whichever is earlier.

5 (d) If a revocation by a registrant under this subsection is not timely, the  
6 registrant violates s. 11.27 (1).

7 **SECTION 30.** 11.06 (4) (b) of the statutes is amended to read:

8 11.06 (4) (b) Unless it is returned or donated within 15 days of receipt, a  
9 contribution must be reported as received and accepted on the date received. This  
10 subsection paragraph applies notwithstanding the fact that the contribution is not  
11 deposited in ~~the a~~ campaign depository account by the closing date for ~~the a~~ reporting  
12 period as provided in s. 11.20 (8) or the reporting deadline provided in s. 11.21 (16).

13 **SECTION 31.** 11.06 (5) of the statutes is amended to read:

14 11.06 (5) REPORT MUST BE COMPLETE. A registered individual or treasurer of a  
15 group or committee shall make a good faith effort to obtain all required information.  
16 The first report shall commence no later than the date that the first contribution is  
17 received and accepted or the first disbursement is made. Each report shall be filed  
18 with the appropriate filing officer on the dates designated in s. 11.20 and, if the  
19 registrant files reports under s. 11.21 (16), at the times specified in s. 11.21 (16). The  
20 individual or the treasurer of the group or committee shall certify to the correctness  
21 of each report. In the case of a candidate, the candidate or treasurer shall certify to  
22 the correctness of each report. If a treasurer is unavailable, any person designated  
23 as a custodian under s. 11.05 (3) (e) may certify to the correctness of a report.

24 **SECTION 32.** 11.06 (7m) (a) of the statutes is amended to read:



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1           11.06 (7m) (a) If a committee which was registered under s. 11.05 as a political  
2 party committee ~~or legislative campaign committee~~ supporting candidates of a  
3 political party files an oath under sub. (7) affirming that it does not act in cooperation  
4 or consultation with any candidate who is nominated to appear on the party ballot  
5 of the party at a general or special election, that the committee does not act in concert  
6 with, or at the request or suggestion of, such a candidate, that the committee does  
7 not act in cooperation or consultation with such a candidate or agent or authorized  
8 committee of such a candidate who benefits from a disbursement made in opposition  
9 to another candidate, and that the committee does not act in concert with, or at the  
10 request or suggestion of, such a candidate or agent or authorized committee of such  
11 a candidate who benefits from a disbursement made in opposition to another  
12 candidate, the committee filing the oath may not make any contributions in support  
13 of any candidate of the party at the general or special election or in opposition to any  
14 such candidate's opponents exceeding the amounts specified in s. 11.26 (2), except as  
15 authorized in par. (c).

16           **SECTION 33.** 11.06 (7m) (c) of the statutes is amended to read:

17           11.06 (7m) (c) A committee filing an oath under sub. (7) which desires to change  
18 its status to a political party committee ~~or legislative campaign committee~~ may do  
19 so as of December 31 of any even-numbered year. Section 11.26 does not apply to  
20 contributions received by such a committee prior to the date of the change. Such a  
21 committee may change its status at other times only by filing a termination  
22 statement under s. 11.19 (1) and reregistering as a newly organized committee under  
23 s. 11.05.

24           **SECTION 34.** 11.06 (11) of the statutes is repealed.

25           **SECTION 35.** 11.07 (5) of the statutes is amended to read:

25-24

**BILL****SECTION 35**

1           11.07 (5) Any campaign treasurer or individual who knowingly receives a  
2           contribution made by an unregistered nonresident in violation of this section may  
3           not use or expend such contribution but shall immediately return it to the source or  
4           at the option of the campaign treasurer or individual, donate the contribution to a  
5           charitable organization or to the common school fund or transfer the contribution to  
6           the board for deposit in the Wisconsin election campaign fund.

7           **SECTION 36.** 11.09 (3) of the statutes is amended to read:

8           11.09 (3) Each registrant whose filing officer is the board, who or which makes  
9           disbursements in connection with elections for offices which serve or referenda  
10          which affect only one county or portion thereof, except a candidate, personal  
11          campaign committee, political party committee or other committee making  
12          disbursements in support of or in opposition to a candidate for state senator,  
13          representative to the assembly, court of appeals judge or circuit judge, shall file a  
14          duplicate original of each financial report filed with the board with the county clerk  
15          or board of election commissioners of the county in which the elections in which the  
16          registrant participates are held. Such reports shall be filed no later than the dates  
17          specified under s. 11.20 (2) and (4) for the filing of each report with the board. This  
18          subsection does not apply to a registrant who or which files reports under s. 11.21  
19          (16).

20          **SECTION 37.** 11.10 (1) of the statutes is amended to read:

21          11.10 (1) Each candidate in an election shall appoint one campaign treasurer.  
22          Except as provided in s. 11.14 (3), each candidate shall designate one campaign  
23          depository account within 5 business days after the candidate receives his or her first  
24          contribution and before the candidate makes or authorizes any disbursement in  
25          behalf of his or her candidacy. If a candidate adopts a preexisting support committee

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1 as his or her personal campaign committee, the candidate shall make such  
2 designation within 5 business days of adoption. The person designated as campaign  
3 treasurer shall be the treasurer of the candidate's personal campaign committee, if  
4 any. The candidate may appoint himself or herself or any other elector as campaign  
5 treasurer. A registration statement under s. 11.05 (2g) ~~or (2r)~~ must be filed jointly  
6 by every candidate and his or her campaign treasurer. The candidate does not  
7 qualify for ballot placement until this requirement is met. Except as authorized  
8 under s. 11.06 (5), the campaign treasurer or candidate shall certify as to the  
9 correctness of each report required to be filed, and the candidate bears the  
10 responsibility for the accuracy of each report for purposes of civil liability under this  
11 chapter, whether or not the candidate certifies it personally.

12 **SECTION 38.** 11.12 (2) of the statutes is amended to read:

13 11.12 (2) Any anonymous contribution exceeding \$10 received by a campaign  
14 or committee treasurer or by an individual under s. 11.06 (7) may not be used or  
15 expended. The contribution shall be donated to the common school fund or to any  
16 charitable organization or transferred to the board for deposit in the Wisconsin  
17 election campaign fund, at the option of the treasurer.

18 **SECTION 39.** 11.12 (2m) of the statutes is created to read:

19 11.12 (2m) If the campaign treasurer of a registrant receives a contribution in  
20 the form of money that is made by an individual who has made contributions to the  
21 registrant cumulatively within a calendar year exceeding \$100 in amount or value,  
22 and the contributor has not provided to the treasurer the information required under  
23 s. 11.06 (1) (b), the treasurer shall obtain the information from the contributor before  
24 depositing the contribution in the campaign depository account. If the treasurer does

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1 not receive the information within the period prescribed under s. 11.14 (1), the  
2 treasurer shall return the contribution to the contributor.

3 **SECTION 40.** 11.12 (4) of the statutes is amended to read:

4 11.12 (4) Each registrant shall report contributions, disbursements and  
5 incurred obligations in accordance with s. 11.20 and, if the registrant files reports  
6 under s. 11.21 (16), in accordance with s. 11.21 (16). Except as permitted under s.  
7 11.06 (2), (3) and (3m), each report shall contain the information which is required  
8 under s. 11.06 (1). *vc Stone - plain*

9 **SECTION 41.** 11.12 (5) of the statutes is amended to read:

10 11.12 (5) If Except as otherwise required under sub. (7), if any contribution or  
11 contributions of \$500 or more cumulatively are received by a candidate for state office  
12 or by a committee or individual from a single contributor later than 15 days prior to  
13 a primary or election such that it is not included in the preprimary or preelection  
14 report submitted under s. 11.20 (3), the treasurer of the committee or the individual  
15 receiving the contribution shall within 24 hours of receipt inform the appropriate  
16 filing officer of the information required under s. 11.06 (1) in such manner as the  
17 board may prescribe. The information shall also be included in the treasurer's or  
18 individual's next regular report. For purposes of the reporting requirement under  
19 this subsection, only contributions received during the period beginning with the day  
20 after the last date covered on the preprimary or preelection report, and ending with  
21 the day before the primary or election need be reported. This subsection does not  
22 apply to a registrant who or which files reports under s. 11.21 (16).

23 **SECTION 42.** 11.12 (6) of the statutes is renumbered 11.12 (6) (a) and amended  
24 to read:

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1           11.12 (6) (a) If any an individual or committee incurs an obligation or makes  
2    a disbursement of more than \$20 cumulatively ~~is made~~ to advocate the election or  
3    defeat of a clearly identified candidate ~~by an individual or committee~~ later than 15  
4    days prior to a primary or election in which the candidate's name appears on the  
5    ballot without cooperation or consultation with a candidate or agent or authorized  
6    committee of a candidate who is supported or whose opponent is opposed, and not in  
7    concert with or at the request or suggestion of such a candidate, agent or committee,  
8    the individual or treasurer of the committee shall, within 24 hours ~~of~~ after incurring  
9    the obligation or making the disbursement, inform the appropriate filing officer of  
10   the information required under s. 11.06 (1) in such manner as the board may  
11   prescribe. ~~The information shall also be included in the next regular report of the~~  
12   ~~individual or committee under s. 11.20.~~ For purposes of this subsection, paragraph,  
13   obligations and disbursements cumulate beginning with the day after the last date  
14   covered on the preprimary or preelection report and ending with the day before the  
15   primary or election. Upon receipt of a report under this ~~subsection~~ paragraph, the  
16   filing officer shall, within 24 hours of receipt, mail a copy of the report to all  
17   candidates for any office in support of or opposition to one of whom a an incurred  
18   obligation or disbursement identified in the report is incurred or made. A committee  
19   that files a report pertaining to a disbursement under par. (c) is not required to file  
20   a report pertaining to the same disbursement under this paragraph. This paragraph  
21   does not apply to a committee that files reports under s. 11.21 (16).

22           **SECTION 43.** 11.12 (6) (c) and (d) of the statutes are created to read:

23           11.12 (6) (c) If any committee identified under s. 11.05 (3) (c) makes any  
24   disbursement for the purpose of supporting the election or defeat of a candidate for  
25   a state office specified in s. 11.31 (1) (a) to (de), (e), or (f), or any such candidate who

**BILL****SECTION 43**

1 seeks a nomination for such an office at a primary election, during any period  
2 beginning on the 60th day preceding the election or primary and ending on the date  
3 of that election or primary, without cooperation or consultation with a candidate or  
4 agent, or authorized committee of a candidate who is supported or whose opponent  
5 is opposed, and not in concert with or at the request or suggestion of such a candidate,  
6 agent, or committee, the committee shall file daily reports with the board and with  
7 each candidate whose name is certified to appear on the ballot for the office in  
8 connection with which the disbursement is made, by electronic mail or facsimile  
9 transmission, on each day beginning with the date on which the committee indicates  
10 an intent to support or oppose that candidate in its statement under s. 11.06 (7) and  
11 ending on the date of the election at which the candidate seeks office. Each report  
12 shall contain <sup>the</sup> ~~information~~ <sup>required under s. 11.06(1) ✓</sup> pertaining to each disbursement made by the committee  
13 ~~and shall be filed no later than 24 hours after that disbursement is made. Each~~  
14 ~~report shall contain~~ <sup>, together with</sup> the name of each candidate who is supported or whose opponent  
15 is opposed and the total amount of disbursements made in support of or in opposition  
16 to that candidate. <sup>The committee shall file each report no later than 24 hours</sup>  
17 <sup>after the disbursement identified in the report is made.</sup>  
(d) All information reported by a registrant under this subsection shall also be  
18 included in the next regular report of the registrant under s. 11.20.

19 **SECTION 44.** 11.12 (8) and (9) of the statutes are created to read:

20 11.12 (8) If a candidate for a state office specified in s. 11.31 (1) (a) to (de), (e),  
21 or (f) who does not accept a grant under s. 11.50 makes any disbursement after that  
22 candidate has accumulated cash in his or her campaign depository account or has  
23 made disbursements during his or her campaign, as defined in s. 11.31 (7), exceeding  
24 a combined total of 75% of the amount specified in s. 11.31 (1) (a) to (de), (e), or (f), as  
25 adjusted under s. 11.31 (9), for the office that the candidate seeks, that candidate or

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1 the candidate's personal campaign committee shall file daily reports with the board  
2 and with each candidate whose name is certified to appear on the ballot for the office  
3 in connection with which the disbursement is made, by electronic mail or facsimile  
4 transmission, on each day <sup>or the 7th day after the primary election or the date</sup> beginning with that date and ending on the date of the <sup>that</sup>  
5 election at which the candidate seeks office. Each report shall contain information <sup>primary</sup>  
6 pertaining to each disbursement made by the candidate or committee and shall be <sup>would</sup>  
7 filed no later than 24 hours after that disbursement is made. Each report shall <sup>be</sup>  
8 include the same information concerning each disbursement that is required to be <sup>held,</sup>  
9 reported for other disbursements under s. 11.06 (1). The information shall also be <sup>required</sup>  
10 included in the next regular report of the candidate or committee under s. 11.20. <sup>whichever</sup>  
<sup>is</sup>  
<sup>later</sup>

11 (9) Whenever a report is required to be filed with a candidate by electronic mail  
12 or facsimile transmission under this section, the report shall be filed at the address  
13 or number of the candidate or personal campaign committee as shown on the  
14 registration statement of the candidate or committee. If no electronic mail address  
15 or facsimile transmission number is shown, the report shall be filed at the mailing  
16 address shown on the statement.

17 SECTION 45. 11.14 (3) of the statutes is amended to read:

18 11.14 (3) Notwithstanding sub. (1), any candidate who serves as his or her own  
19 campaign treasurer and who is authorized to make and makes an indication on his  
20 or her registration statement under s. ~~11.05 (2r)~~ 11.06 (2m) that he or she will not  
21 accept contributions, make disbursements or incur obligations in an aggregate  
22 amount exceeding \$1,000 in a calendar year, and will not accept any contribution or  
23 contributions from a single source, other than contributions made by the candidate  
24 to his or her own campaign, exceeding \$100 in a calendar year, may designate a single  
25 personal account as his or her campaign depository account, and may intermingle

**BILL****SECTION 45**

1 personal and other funds with campaign funds. If a separate depository account is  
2 later established by the candidate, the candidate shall transfer all campaign funds  
3 in the personal account to the new depository account. Disbursements made from  
4 such personal account need not be identified in accordance with s. 11.16 (3).

5 **SECTION 46.** 11.16 (2) of the statutes is amended to read:

6 11.16 (2) LIMITATION ON CASH CONTRIBUTIONS. Every contribution of money  
7 exceeding \$50 shall be made by negotiable instrument or evidenced by an itemized  
8 credit card receipt bearing on the face the name of the remitter. No treasurer may  
9 accept a contribution made in violation of this subsection. The treasurer shall  
10 promptly return the contribution, ~~or donate it~~ the contribution to the common school  
11 fund or to a charitable organization or transfer the contribution to the board for  
12 deposit in the Wisconsin election campaign fund in the event that the donor cannot  
13 be identified.

14 **SECTION 47.** 11.16 (5) of the statutes is amended to read:

15 11.16 (5) ESCROW AGREEMENTS. Any personal campaign committee, ~~or political~~  
16 ~~party committee or legislative campaign committee~~ may, pursuant to a written  
17 escrow agreement with more than one candidate, solicit contributions for and  
18 conduct a joint fund raising effort or program on behalf of more than one named  
19 candidate. The agreement shall specify the percentage of the proceeds to be  
20 distributed to each candidate by the committee conducting the effort or program.  
21 The committee shall include this information in all solicitations for the effort or  
22 program. All contributions received and disbursements made by the committee in  
23 connection with the effort or program shall be received and disbursed through a  
24 separate depository account under s. 11.14 (1) that is identified in the agreement.  
25 For purposes of s. 11.06 (1), the committee conducting the effort or program shall



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1 prepare a schedule in the form prescribed by the board supplying all required  
2 information under s. 11.06 (1) and items qualifying for exclusion under s. 11.31 (6)  
3 for the effort or program, and shall transmit a copy of the schedule to each candidate  
4 who receives any of the proceeds within the period prescribed in s. 11.06 (4) (c).

5 **SECTION 48.** 11.19 (title) of the statutes is amended to read:

6 **11.19 (title) ~~Dissolution~~ Carry-over of surplus funds; dissolution of**  
7 **registrants; termination reports.**

8 **SECTION 49.** 11.19 (1) of the statutes is amended to read:

9 11.19 (1) Whenever any registrant disbands or determines that obligations will  
10 no longer be incurred, and contributions will no longer be received nor disbursements  
11 made during a calendar year, and the registrant has no outstanding incurred  
12 obligations, the registrant shall file a termination report with the appropriate filing  
13 officer. Such report shall indicate a cash balance on hand of zero at the end of the  
14 reporting period and shall indicate the disposition of residual funds. ~~Residual~~  
15 Except as provided in sub. (1m), residual funds may be used for any political purpose  
16 not prohibited by law, returned to the donors in an amount not exceeding the original  
17 contribution, transferred to the board for deposit in the Wisconsin election campaign  
18 fund or donated to a charitable organization or the common school fund. The report  
19 shall be filed and certified as were previous reports, and shall contain the  
20 information required by s. 11.06 (1). A registrant to which s. 11.055 (1) applies shall  
21 pay the fee imposed under that subsection with a termination report filed under this  
22 subsection. If a termination report or suspension report under sub. (2) is not filed,  
23 the registrant shall continue to file periodic reports with the appropriate filing  
24 officer, no later than the dates specified in s. 11.20 and, if the registrant files reports

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1 under s. 11.21 (16), no later than the times specified in s. 11.21 (16). This subsection  
2 does not apply to any registrant making an indication under s. ~~11.05 (2r)~~ 11.06 (2m).

3 **SECTION 50.** 11.19 (1m) and (6) of the statutes are created to read:

4 11.19 (1m) If the registration statement, under s. 11.05, of a personal campaign  
5 committee indicates that the committee was formed or operates for the purpose of  
6 influencing the election or nomination for election of a candidate who is a partisan  
7 state officeholder to any state or local office other than the office held by the  
8 candidate, and, subsequently, the candidate or personal campaign committee files,  
9 under s. 11.05 (5), a change in the information in the registration statement  
10 indicating that the candidate is no longer seeking that other office, the candidate or  
11 personal campaign committee shall either return all contributions attributable to  
12 the candidate's campaign for the office no longer sought exceeding 10% of the  
13 disbursement level specified under s. 11.31 for the office that the candidate holds,  
14 minus disbursements and incurred obligations for that campaign, to the donors in  
15 an amount not exceeding their original contributions, or donate an amount equal to  
16 any contributions not so returned exceeding 10% of the disbursement level specified  
17 under s. 11.31 for the office that the candidate holds, minus disbursements and  
18 incurred obligations for that campaign, to the board for crediting to the Wisconsin  
19 election campaign fund.

20 (6) No candidate or personal campaign committee of a candidate at the general  
21 election may retain beyond December 31 of an even-numbered year unencumbered  
22 contributions equal to more than 10% of the candidate's total disbursement level  
23 determined under s. 11.31 (1), adjusted as provided for under s. 11.31 (9). A  
24 candidate or treasurer of a personal campaign committee shall transfer excess  
25 contributions to the board for crediting to the Wisconsin election campaign fund.

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1           **SECTION 51.** 11.20 (1) of the statutes is amended to read:

2           11.20 (1) All reports required by s. 11.06 which relate to activities which  
3           promote or oppose candidates for state office or statewide referenda and all reports  
4           under s. 11.08 shall be filed with the board. All reports required by s. 11.06 which  
5           relate to activities which promote or oppose candidates for local office or local  
6           referenda shall be filed with the appropriate filing officer under s. 11.02, except  
7           reports filed under s. 11.08. Each registrant shall file the reports required by this  
8           section. If the registrant is subject to a requirement under s. 11.21 (16) to report  
9           electronically the same information that is reportable under this section, the  
10          registrant shall, in addition, file the reports required by this section recorded on a  
11          medium specified by the board.

12          **SECTION 52.** 11.20 (7) of the statutes is amended to read:

13          11.20 (7) ~~In~~ Except as otherwise required under s. 11.21 (16), in the event that  
14          any report is required to be filed under this section ~~chapter~~ on a nonbusiness day, it  
15          may be filed on the next business day thereafter.

16          **SECTION 53.** 11.20 (9) of the statutes is amended to read:

17          11.20 (9) Except as provided in ss. ~~11.05 (2r)~~ 11.06 (2m) and 11.19 (2), the duty  
18          to file reports under this section continues until a termination report is filed in  
19          accordance with s. 11.19.

20          **SECTION 54.** 11.20 (10) (a) of the statutes is amended to read:

21          11.20 (10) (a) Where a requirement is imposed under this section for the filing  
22          of a financial report which is to be received by the appropriate filing officer no later  
23          than a certain date, the requirement may be satisfied either by actual receipt of the  
24          report by the prescribed time for filing at the office of the filing officer, or by filing a  
25          report with the U.S. postal service by first class mail with sufficient prepaid postage,

**BILL****SECTION 54**

1 addressed to the appropriate filing officer, no later than the 3rd day before the date  
2 provided by law for receipt of such report.

3 **SECTION 55.** 11.20 (12) of the statutes is amended to read:

4 11.20 (12) If a candidate is unopposed in a primary or election, the obligation  
5 to file the reports required by this chapter does not cease. Except as provided in ss.  
6 ~~11.05 (2r)~~ 11.06 (2m) and 11.19 (2), a registrant who makes or receives no  
7 contributions, makes no disbursements or incurs no obligations shall so report on the  
8 dates designated in subs. (2) and (4).

9 **SECTION 56.** 11.21 (2) of the statutes is amended to read:

10 11.21 (2) Furnish to each registrant prescribed forms for the making of reports  
11 and statements. Forms shall be sent by 1st class mail not earlier than 21 days and  
12 not later than 14 days prior to the applicable filing deadline under s. 11.20, and  
13 addressed to the attention of the treasurer or other person indicated on the  
14 registration statement. Forms need not be sent to a registrant who has made an  
15 indication that aggregate contributions, disbursements and obligations will not  
16 exceed the amount specified under s. ~~11.05 (2r)~~ 11.06 (2m) or to a registrant who has  
17 been granted a suspension under s. 11.19 (2). Forms for reports shall not be sent by  
18 the board to a registrant if the registrant is required to file reports with the board  
19 in an electronic format. Whenever any notice of filing requirements under this  
20 chapter is sent to a candidate's campaign treasurer, the board shall also send a notice  
21 to the candidate if he or she has appointed a separate treasurer. Failure to receive  
22 any form or notice does not exempt a registrant from compliance with this chapter.

23 **SECTION 57.** 11.21 (15) of the statutes is amended to read:

24 11.21 (15) Inform each candidate who files an application to become eligible to  
25 receive a grant from the Wisconsin election campaign fund of the dollar amount of

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1 the applicable disbursement limitation under s. 11.31 (1) or (1m), adjusted as  
2 provided under s. 11.31 (9), which applies to the office for which such person is a  
3 candidate. Failure to receive the notice required by this subsection does not  
4 constitute a defense to a violation of s. 11.27 (1) or 11.31.

5 **SECTION 58.** 11.21 (16) of the statutes is amended to read:

6 11.21 (16) Require each registrant for whom the board serves as filing officer  
7 and who or which accepts contributions in a total amount or value of \$20,000 or more  
8 during a campaign period to file each campaign finance report that is required to be  
9 filed under this chapter in an electronic format, and accept from any other registrant  
10 for whom the board serves as a filing officer any campaign finance report that is  
11 required to be filed under this chapter in an electronic format. A registrant who or  
12 which becomes subject to a requirement to file reports in an electronic format under  
13 this subsection shall initially file the registrant's report in an electronic format for  
14 the period which includes the date on which the registrant becomes subject to the  
15 requirement or, if the registrant is required to report transactions within 24 hours  
16 of their occurrence, within 24 hours after the date on which the registrant becomes  
17 subject to the requirement. To facilitate implementation of this subsection, the board  
18 shall specify, by rule, a type of software that is suitable for compliance with the  
19 electronic filing requirement under this subsection. The board shall provide copies  
20 of the software to registrants at a price fixed by the board that may not exceed cost.  
21 Each registrant who or which files a report under this subsection in an electronic  
22 format shall also file a copy of the report with the board that is recorded on a medium  
23 specified by the board. The copy shall be signed by an authorized individual and filed  
24 with the board by each registrant no later than the time prescribed for filing of the  
25 report under this chapter. If a registrant is a committee, the copy shall be certified

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## SECTION 58

✓ 1 by an authorized individual and filed with the board by the registrant no later than  
2 24 hours after the occurrence of any transaction that is reportable under s. 11.06 (1).

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3 The board shall provide complete instructions to any registrant who or which files  
4 a report under this subsection. In this subsection, the "campaign period" of a  
5 candidate, personal campaign committee or support committee begins and ends with  
6 the "campaign" of the candidate whose candidacy is supported, as defined in s. 11.26  
7 (17), and the "campaign period" of any other registrant begins on January 1 of each  
8 odd-numbered year and ends on December 31 of the following year. Section 990.001  
9 (4) does not apply to the computation of time permitted for compliance with the filing  
10 requirements under this subsection.

11 **SECTION 59.** 11.22 (3) of the statutes is amended to read:

12 11.22 (3) Furnish to each registrant prescribed forms for the making of reports  
13 and statements. Forms shall be sent by 1st class mail not earlier than 21 days and  
14 not later than 14 days prior to the applicable filing deadline under s. 11.20 and  
15 addressed to the attention of the treasurer or other person indicated on the  
16 registration statement. Forms need not be sent to a registrant who has made an  
17 indication that aggregate contributions, disbursements and obligations will not  
18 exceed the amount specified under s. ~~11.05 (2r)~~ 11.06 (2m) or to a registrant who has  
19 been granted a suspension under s. 11.19 (2). Whenever any notice of the filing  
20 requirements under this chapter is sent to a candidate's campaign treasurer, the  
21 filing officer shall also send a notice to the candidate if he or she has appointed a  
22 separate treasurer. Failure to receive any form or notice does not exempt a registrant  
23 from compliance with this chapter.

24 **SECTION 60.** 11.23 (1) of the statutes is amended to read:

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1 11.23 (1) Any group or individual may promote or oppose a particular vote at  
2 any referendum in this state. Before making disbursements, receiving contributions  
3 or incurring obligations in excess of ~~\$25~~ <sup>\$100</sup> in the aggregate in a calendar year for such  
4 purposes, the group or individual shall file a registration statement under s. 11.05  
5 (1), or (2) ~~or (2r)~~. In the case of a group the name and mailing address of each of its  
6 officers shall be given in the statement. Every group and every individual under this  
7 section shall designate a campaign depository account under s. 11.14. Every group  
8 shall appoint a treasurer, who may delegate authority but is jointly responsible for  
9 the actions of his or her authorized designee for purposes of civil liability under this  
10 chapter. The appropriate filing officer shall be notified by a group of any change in  
11 its treasurer within 10 days of the change under s. 11.05 (5). The treasurer of a group  
12 shall certify the correctness of each statement or report submitted by it under this  
13 chapter.

14 SECTION 61. 11.23 (2) of the statutes is amended to read:

15 11.23 (2) Any anonymous contribution exceeding \$10 received by an individual  
16 or group treasurer may not be used or expended. The contribution shall be donated  
17 to the common school fund or to any charitable organization or transferred to the  
18 board for deposit in the Wisconsin election campaign fund, at the option of the  
19 treasurer.

20 SECTION 62. 11.24 (1m) of the statutes is repealed.

21 SECTION 63. 11.24 (1v) of the statutes is created to read:

22 11.24 (1v) No registrant may accept any contribution made by a committee or  
23 group that does not maintain an office or street address within this state at the time  
24 that the contribution is made unless that committee or group is registered with the  
25 federal election commission under 2 USC 433 (a).

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**BILL****SECTION 64**

**SECTION 64.** 11.24 (2) of the statutes is renumbered 11.24 (5).

**SECTION 65.** 11.24 (4) of the statutes is created to read:

11.24 (4) (a) No person may make a contribution to an incumbent partisan state elective official or to the personal campaign committee or support committee authorized under s. 11.05 (3) (p) of that official for the purpose of promoting that official's nomination or reelection to the office held by the official during the period beginning on the first Monday of January in each odd-numbered year and ending on the date of enactment of the biennial budget act and thereafter during any legislative floorperiod, including any special or extraordinary session floorperiod.

(b) Notwithstanding par. (a), a person may make a contribution to an incumbent partisan state elective official against whom a recall petition has been filed during the period beginning on the date that the petition offered for filing is filed under s. 9.10 (3) (b) and ending on the date of the recall election unless the official resigns at an earlier date under s. 9.10 (3) (c).

**SECTION 66.** 11.26 (1) (a) to (c) of the statutes are amended to read:

11.26 (1) (a) Candidates for governor, lieutenant governor, secretary of state, state treasurer, attorney general, state superintendent or justice, ~~\$10,000~~ <sup>\$1,000</sup> ~~\$5,000~~.

(b) Candidates for state senator, ~~\$1,000~~ \$500.

(c) Candidates for representative to the assembly, ~~\$500~~ \$250.

**SECTION 67.** 11.26 (2) (a) of the statutes is amended to read:

11.26 (2) (a) Candidates for governor, lieutenant governor, secretary of state, state treasurer, attorney general, state superintendent or justice, ~~4% of the value of the disbursement level specified in the schedule under s. 11.31 (1)~~ \$45,000.

**SECTION 68.** 11.26 (4) of the statutes is amended to read:



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1           11.26 (4) No individual may make any contribution or contributions to all  
2 candidates for state and local offices and to any individuals who or committees which  
3 are subject to a registration requirement under s. 11.05, including legislative  
4 ~~campaign committees and~~ committees of a political party, to the extent of more than  
5 a total of \$10,000 \$5,000 in any calendar year.

6           **SECTION 69.** 11.26 (8) of the statutes is amended to read:

7           11.26 (8) (a) No political party as defined in s. 5.02 (13) may receive more than  
8 a total of \$150,000 \$300,000 in value of its contributions in any biennium from all  
9 other committees, excluding ~~contributions from legislative campaign committees~~  
10 ~~and transfers between party committees of the party.~~ In this paragraph, a biennium  
11 commences with January 1 of each odd-numbered year and ends with December 31  
12 of each even-numbered year.

13           (b) No such political party may receive more than a total of \$6,000 \$12,000 in  
14 value of its contributions in any calendar year from any specific committee or its  
15 subunits or affiliates, excluding ~~legislative campaign and~~ political party committees.

16           (c) No committee, other than a political party ~~or legislative campaign~~  
17 ~~committee,~~ may make any contribution or contributions, directly or indirectly, to a  
18 political party under s. 5.02 (13) in a calendar year exceeding a total value of \$6,000  
19 \$12,000.

20           **SECTION 70.** 11.26 (8m) of the statutes is created to read:

21           11.26 (8m) (a) Except as provided in par. (b) and sub. (8n), no committee may  
22 make a contribution to any other committee except a political party, personal  
23 campaign, or support committee.

24           (b) Paragraph (a) does not apply to any contribution made by a <sup>committee that is affiliated</sup> labor <sup>with</sup>  
25 organization to any other <sup>Committee that is affiliated with the same</sup> labor organization ~~with which it is affiliated.~~

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## SECTION 71

1       **SECTION 71.** 11.26 (8n) of the statutes is created to read:

2       11.26 (8n) No personal campaign committee or support committee that is  
3 authorized under s. 11.05 (3) (p) may make a contribution to any other personal  
4 campaign or support committee that is authorized under s. 11.05 (3) (p).

5       **SECTION 72.** 11.26 (9) (a) and (b) of the statutes are amended to read:

6       11.26 (9) (a) ~~No~~ <sup>11-13</sup> Except as authorized under this paragraph, no individual who  
7 is a candidate for state or local office may receive and accept more than 65% of the  
8 value of the total disbursement level, as determined under s. 11.31 (1) and as  
9 adjusted as provided under s. 11.31 (9) but without respect to any adjustment under  
10 s. 11.31 (1m), for the office for which he or she is a candidate during any primary and  
11 election campaign combined from the Wisconsin election campaign fund and all  
12 committees subject to a filing requirement, including political party and legislative  
13 campaign committees. A candidate for state office whose grant under s. 11.50  
14 exceeds the contribution limitation authorized by this paragraph may exceed the  
15 contribution limitation otherwise applicable to the extent required to accept the full  
16 amount of the grant received by the candidate under s. 11.50, but any contributions  
17 accepted by such a candidate from committees, including political party committees,  
18 reduce the amount of the grant which the candidate may accept by an amount equal  
19 to such contributions.

20       (b) ~~No~~ Except as authorized under this paragraph, no individual who is a  
21 candidate for state or local office may receive and accept more than 45% of the value  
22 of the total disbursement level, as determined under s. 11.31 (1) and as adjusted as  
23 provided under s. 11.31 (9) but without respect to any adjustment under s. 11.31 (1m),  
24 for the office for which he or she is a candidate during any primary and election  
25 campaign combined from the Wisconsin election campaign fund and all committees

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1 other than political party and legislative campaign committees subject to a filing  
2 requirement. ~~A candidate for state office whose grant under s. 11.50 exceeds the~~  
3 contribution limitation authorized by this paragraph may exceed the contribution  
4 limitation otherwise applicable to the extent required to accept the full amount of the  
5 grant received by the candidate under s. 11.50, but any contributions accepted by  
6 such a candidate from committees other than political party committees reduce the  
7 amount of the grant which the candidate may accept by an amount equal to such  
8 contributions.

9 **SECTION 73.** 11.26 (9) (c) of the statutes is repealed.

10 **SECTION 74.** 11.26 (10) of the statutes is amended to read:

11 11.26 (10) No candidate for state office who files a sworn statement and  
12 application to receive a grant from the Wisconsin election campaign fund may make  
13 contributions of more than ~~200% of the amounts specified in sub. (1)~~ \$1,000 to the  
14 candidate's own campaign from the candidate's personal funds or property or the  
15 personal funds or property which are owned jointly or as marital property with the  
16 candidate's spouse, ~~unless the board determines that the candidate is not eligible to~~  
17 ~~receive a grant, the candidate withdraws his or her application under s. 11.50 (2) (h),~~  
18 ~~or s. 11.50 (2) (i) applies.~~ For purposes of this subsection, any contribution received  
19 by a candidate or his or her personal campaign committee from a committee which  
20 is registered with the federal elections commission as the authorized committee of  
21 the candidate under 2 USC 432 (e) shall be treated as a contribution made by the  
22 candidate to his or her own campaign. The contribution limit of sub. (4) applies to  
23 amounts contributed by such a candidate personally to the candidate's own  
24 campaign and to other campaigns, ~~except that a candidate may exceed the limitation~~

**BILL****SECTION 74**

1 if authorized under this subsection to contribute more than the amount specified to  
2 the candidate's own campaign, up to the amount of the limitation.

3 **SECTION 75.** 11.26 (12m) of the statutes is repealed.

4 **SECTION 76.** 11.26 (17) (a) of the statutes is amended to read:

5 11.26 (17) (a) For purposes of application of the limitations imposed in subs.  
6 (1), (2), (9), (9m) and (10), the "campaign" of a candidate begins and ends at the times  
7 specified in this subsection.

8 **SECTION 77.** 11.265 of the statutes is repealed.

9 **SECTION 78.** 11.31 (1) (intro.) of the statutes is amended to read:

10 11.31 (1) SCHEDULE. (intro.) The following levels of disbursements are  
11 established with reference to the candidates listed below. The levels are subject to  
12 adjustment under subs. (1m) and (9). Except as provided in sub. (2), such levels do  
13 not operate to restrict the total amount of disbursements which are made or  
14 authorized to be made by any candidate in any primary or other election.

15 **SECTION 79.** 11.31 (1) (a) to (d) of the statutes are amended to read:

16 11.31 (1) (a) Candidates for governor, ~~\$1,078,200~~ \$2,000,000.

17 (b) Candidates for lieutenant governor, ~~\$328,475~~ \$500,000.

18 (c) Candidates for attorney general, ~~\$539,000~~ \$700,000.

19 (d) Candidates for secretary of state, state treasurer, ~~justice~~ or state  
20 superintendent, ~~\$215,625~~ \$250,000.

21 **SECTION 80.** 11.31 (1) (de) of the statutes is created to read:

22 11.31 (1) (de) Candidates for justice, \$300,000.

23 **SECTION 81.** 11.31 (1) (e) and (f) of the statutes are amended to read:

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1 11.31 (1) (e) Candidates for state senator, ~~\$34,500~~ \$100,000 total in the primary  
2 and election, with disbursements not exceeding ~~\$21,575~~ \$60,000 for either the  
3 primary or the election.

4 (f) Candidates for representative to the assembly, ~~\$17,250~~ \$50,000 total in the  
5 primary and election, with disbursements not exceeding ~~\$10,775~~ \$30,000 for either  
6 the primary or the election.

7 SECTION 82. 11.31 (1m) of the statutes is created to read:

8 11.31 (1m) DISBURSEMENT LEVEL FOR CANDIDATES IN COMPETITIVE PRIMARY  
9 ELECTIONS. The total disbursement level for any candidate whose name appears on  
10 the ballot as a candidate for an office at a primary election and who receives less than  
11 twice as many votes at that election as another candidate for the same office is 120%  
12 of the amount specified in sub. (1) for the candidate who receives the greatest number  
13 of votes in the primary election, adjusted as provided in sub. (9).

14 SECTION 83. 11.31 (2) of the statutes is amended to read:

15 11.31 (2) LIMITATION IMPOSED. No candidate for state office at a spring or general  
16 election who files a sworn statement and application to receive a grant from ~~the his~~ <sup>his or her</sup>  
17 ~~or her~~ Wisconsin election campaign fund may make or authorize total disbursements  
18 from the <sup>his or her</sup> campaign treasury in any campaign to the extent of more than the amount  
19 prescribed in sub. (1) or (1m), whichever is applicable, adjusted as provided under  
20 sub. (9), unless the board determines that the candidate is not eligible to receive a  
21 grant, ~~the candidate withdraws his or her application under s. 11.50 (2) (h), or s. 11.50~~  
22 (2) (i) sub. (3p) applies. No candidate for state office at a special election who files  
23 a sworn statement and application to receive a grant from the Wisconsin election  
24 campaign fund may make or authorize total disbursements from ~~the~~ <sup>his or her</sup> campaign  
25 treasury in any campaign to the extent of more than the amount prescribed under

**BILL****SECTION 83**

1 sub. (1), adjusted as provided under sub. (9), for the preceding spring or general  
2 election for the same office, unless the board determines that the candidate is not  
3 eligible to receive a grant, ~~the candidate withdraws his or her application under s.~~  
4 ~~11.50 (2) (h)~~, or s. 11.50 (2) (i) sub. (3p) applies.

5 **SECTION 84.** 11.31 (2m) of the statutes is repealed:

6 **SECTION 85.** 11.31 (3) of the statutes is amended to read:

7 11.31 (3) GUBERNATORIAL CAMPAIGNS. For purposes of compliance with the  
8 limitations imposed under sub. (2), candidates for governor and lieutenant governor  
9 of the same political party who both accept grants from the Wisconsin election  
10 campaign fund may agree to combine disbursement levels under sub. (1) (a) and (b),  
11 adjusted as provided under sub. (9), and reallocate the total level between them. The  
12 candidates shall each inform the board of any such agreement.

13 **SECTION 86.** 11.31 (3p) of the statutes is created to read:

14 11.31 (3p) CANDIDATES RECEIVING ADDITIONAL GRANTS; EXCEPTION. If a candidate  
15 receives a grant under s. 11.50 (9) (b) or (ba), the disbursement limitation of that  
16 candidate for the campaign in which the grant is received is increased by the amount  
17 of that grant.

18 **SECTION 87.** 11.31 (9) of the statutes is created to read:

19 11.31 (9) ADJUSTMENT OF DISBURSEMENT LEVELS. (a) In this subsection,  
20 "consumer price index" means the average of the consumer price index over each  
21 12-month period, all items, U.S. city average, as determined by the bureau of labor  
22 statistics of the U.S. department of labor.

23 (b) The dollar amounts of all disbursement limitations specified in sub. (1) shall  
24 be subject to a ~~biennial~~ cost-of-living adjustment to be determined by rule of the  
25 board in accordance with this subsection. To determine the adjustment, the board

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1 shall calculate the percentage difference between the consumer price index for the  
2 12-month period ending on December 31 of each odd-numbered year and the  
3 consumer price index for the ~~base period~~ calendar year 2003. For each biennium,  
4 the board shall adjust the disbursement limitations specified under sub. (1) by that  
5 percentage to the extent required to reflect any difference, rounded to the nearest  
6 multiple of \$25 in the case of amounts of \$1 or more, which amount shall be in effect  
7 until a subsequent rule is promulgated under this subsection. Notwithstanding s.  
8 227.24 (1) (a), (2) (b)<sup>v</sup> and (3), determinations under this subsection may be  
9 promulgated as an emergency rule under s. 227.24 without providing evidence that  
10 the emergency rule is necessary for the public peace, health, safety<sup>v</sup> or welfare, and  
11 without a finding of emergency.

12 **SECTION 88.** 11.38 (1) (a) 2. of the statutes is amended to read:

13 11.38 (1) (a) 2. Notwithstanding subd. 1., any such corporation or association  
14 may establish and administer a separate segregated fund and solicit contributions  
15 from individuals to the fund to be utilized by such corporation or association, for the  
16 purpose of supporting or opposing any candidate for state or local office but the  
17 corporation or association may not make any contribution to the fund. The fund shall  
18 appoint a treasurer and shall register as a political committee under s. 11.05. A  
19 parent corporation or association engaging solely in this activity is not subject to  
20 registration under s. 11.05, but shall register and file special reports on forms  
21 prescribed by the board disclosing its administrative and solicitation expenses on  
22 behalf of such fund. A corporation not domiciled in this state need report only its  
23 expenses for administration and solicitation of contributions in this state together  
24 with a statement indicating where information concerning other administration and  
25 solicitation expenses of its fund may be obtained. The reports shall be filed with the

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1 filing officer for the fund specified in s. 11.02 in the manner provided under s. 11.21  
2 (16), if applicable, or otherwise in the manner in which continuing reports are filed  
3 under s. 11.20 (4) and (8).

4 **SECTION 89.** 11.38 (1) (a) 3. of the statutes is amended to read:

5 11.38 (1) (a) 3. No corporation or association specified in subd. 1. may expend  
6 more than a combined total of \$500 annually for solicitation of contributions to a fund  
7 established under subd. 2. ~~or to a conduit.~~

8 **SECTION 90.** 11.38 (6) of the statutes is amended to read:

9 11.38 (6) Any individual or campaign treasurer who receives funds in violation  
10 of this section shall promptly return such funds to the contributor ~~or~~ donate the  
11 funds to the common school fund or a charitable organization or transfer the funds  
12 to the board for deposit in the Wisconsin election campaign fund, at the treasurer's  
13 option.

14 **SECTION 91.** 11.38 (8) (b) of the statutes is amended to read:

15 11.38 (8) (b) Except as authorized in s. 11.05 (12) (b) and (13), prior to making  
16 any disbursement on behalf of a political group which is promoting or opposing a  
17 particular vote at a referendum and prior to accepting any contribution or making  
18 any disbursement to promote or oppose a particular vote at a referendum, a  
19 corporation or association organized under ch. 185 shall register with the  
20 appropriate filing officer specified in s. 11.02 and appoint a treasurer. The  
21 registration form of the corporation or association under s. 11.05 shall designate an  
22 account separate from all other corporation or association accounts as a campaign  
23 depository account, through which all moneys received or expended for the adoption  
24 or rejection of the referendum shall pass. The corporation or association shall file



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1   periodic reports under s. 11.20 and under s. 11.21 (16), if applicable, providing the  
2   information required under s. 11.06 (1).

3       **SECTION 92.** 11.50 (1) (a) 1. (intro.) of the statutes is created to read:

4       11.50 (1) (a) 1. (intro.) For purposes of qualification for a grant from the general  
5   account:

6       **SECTION 93.** 11.50 (1) (a) 1. of the statutes is renumbered 11.50 (1) (a) 1. a. and  
7   amended to read:

8       11.50 (1) (a) 1. a. With respect to a spring or general election, any individual  
9   who is certified under s. 7.08 (2) (a) as a candidate in the spring election for justice  
10   or state superintendent, or ~~an~~ any individual who receives at least ~~6%~~ 2% of the vote  
11   cast for all candidates on all ballots for any state office, except district attorney, for  
12   which the individual is a candidate at the September primary and who is certified  
13   under s. 7.08 (2) (a) as a candidate for that office in the general election, or an  
14   individual who has been lawfully appointed and certified to replace either such  
15   individual on the ballot at the spring or general election; and who has qualified for  
16   a grant under sub. (2).

17       **SECTION 94.** 11.50 (1) (a) 2. of the statutes is renumbered 11.50 (1) (a) 1. b. and  
18   amended to read:

19       11.50 (1) (a) 1. b. With respect to a special election, an individual who is certified  
20   under s. 8.50 (1) (d) as a candidate in a special election for state superintendent, or  
21   an individual who is certified under s. 8.50 (1) (d) as a candidate in a special election  
22   for any state office, except district attorney, on the ballot or column of a party whose  
23   candidate for the same office at the preceding general election received at least ~~6%~~  
24   2% of the vote cast for all candidates on all ballots for the office, or an individual who  
25   has been lawfully appointed and certified to replace either such individual on the

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1 ballot at a special election, or an individual who receives at least ~~6%~~ 2% of the vote  
2 cast for all candidates on all ballots for any state office, except district attorney, at  
3 a partisan special election; and who qualifies for a grant under sub. (2). Where the  
4 boundaries of a district in which an individual seeks office have been changed since  
5 the preceding general election such that it is not possible to calculate the exact  
6 number of votes that are needed by that individual to qualify as an eligible candidate  
7 prior to an election ~~under this subdivision~~, the number of votes cast for all candidates  
8 for the office at the preceding general election in each ward, combination of wards  
9 or municipality which is wholly contained within the boundaries of the newly formed  
10 district shall be calculated. If the candidate of the political party on whose ballot or  
11 column the individual appears in the newly formed district obtained at least ~~6%~~ 2%  
12 of the number of votes calculated, the individual is deemed to qualify as an eligible  
13 candidate prior to the election under this subdivision.

14 **SECTION 95.** 11.50 (1) (a) 2m. of the statutes is created to read:

15 11.50 (1) (a) 2m. For purposes of qualification for a grant from a political party  
16 account, an individual who is certified under s. 7.08 (2) (a) in the general election or  
17 a special election as the candidate of an eligible political party for a state office, other  
18 than district attorney, or an individual who has been lawfully appointed and certified  
19 to replace such an individual on the ballot at the general or a special election and who  
20 has qualified for a grant under sub. (2).

21 **SECTION 96.** 11.50 (1) (am) of the statutes is created to read:

22 11.50 (1) (am) "Eligible political party" means any of the following:

23 1. A party qualifying under s. 5.62 (1) (b) for a separate ballot or one or more  
24 separate columns or rows on a ballot for the period beginning on the date of the

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1 preceding general election and ending on the day before the general election that  
2 follows that election.

3 2. A party qualifying under s. 5.62 (2) for a separate ballot or one or more  
4 separate columns or rows on a ballot for the period beginning on the preceding June  
5 1, or if that June 1 is in an odd-numbered year, the period beginning on June 1 of the  
6 preceding even-numbered year, and ending on May 31 of the 2nd year following that  
7 June 1, whose state chairperson has filed a statement with the board no earlier than  
8 May 1 preceding that period certifying that the party has held a state convention  
9 within the 2-year period preceding the date of the statement, has adopted a state  
10 constitution that is in effect on the date of the statement and has elected state officers  
11 who are in office on the date of the statement.

12 **SECTION 97.** 11.50 (1) (bm) and (cm) of the statutes are created to read:

13 11.50 (1) (bm) "General account" means the account in the fund created under  
14 sub. (2w).

15 (cm) "Political party account" means an account in the fund created under sub.  
16 (2s).

17 **SECTION 98.** 11.50 (2) (a) of the statutes is amended to read:

18 11.50 (2) (a) Any individual who desires to qualify as an eligible candidate may  
19 file an application with the board requesting approval to participate in the fund. The  
20 application shall be filed no later than the applicable deadline for filing nomination  
21 papers under s. 8.10 (2) (a), 8.15 (1), 8.20 (8) (a) or 8.50 (3) (a), no later than 4:30 p.m.  
22 on the 7th day after the primary or date on which the primary would be held if  
23 required in the case of write-in candidates, or no later than 4:30 p.m. on the 7th day  
24 after appointment in the case of candidates appointed to fill vacancies. The  
25 application shall contain a sworn statement that the candidate and his or her

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## SECTION 98

1 authorized agents have complied with the contribution limitations prescribed in s.  
2 11.26 and the disbursement limitations <sup>imposed</sup> ~~prescribed~~ under s. 11.31 (1), as adjusted  
3 under s. 11.31 (9), at all times to which such limitations have applied to his or her  
4 candidacy and will continue to comply with the limitations at all times to which the  
5 limitations apply to his or her candidacy for the office in contest, unless the board  
6 determines that the candidate is not eligible to receive a grant, ~~the candidate~~  
7 ~~withdraws his or her application under par. (h), or par. (i) sub. (3p) applies.~~ (Ans 52-7) ✓

8 SECTION 99. 11.50 (2) (b) 5. of the statutes is amended to read:

9 11.50 (2) (b) 5. The financial reports filed by or on behalf of the candidate as  
10 of the date of the spring or September primary, or the date that the special primary  
11 is or would be held, if required, indicate that the candidate has received an amount  
12 equal to at least the amount provided in this subdivision 5% of the applicable  
13 authorized disbursement limitation, as determined under s. 11.31 (1) and adjusted  
14 under s. 11.31 (9) but without respect to any adjustment under s. 11.31 (1m), from  
15 contributions of money, other than loans, made by individuals who reside in this  
16 state and, in the case of a candidate for legislative office, by individuals at least 50%  
17 of whom reside in a county having territory within the legislative district in which  
18 the candidate seeks office, which contributions have been received during the period  
19 ending on the date of the spring primary and July 1 preceding such date in the case  
20 of candidates at the spring election, or the date of the September primary and  
21 January 1 preceding such date in the case of candidates at the general election, or  
22 the date that a special primary will or would be held, if required, and 90 days  
23 preceding such date or the date a special election is ordered, whichever is earlier, in  
24 the case of special election candidates at a special election, which contributions are  
25 in the aggregate amount of \$100 or less, and which contributions are fully identified

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1 and itemized as to the exact source thereof. ~~A contribution received from a conduit~~  
2 ~~which is identified by the conduit as originating from an individual shall be~~  
3 ~~considered a contribution made by the individual. Only the first \$100 of an aggregate~~  
4 ~~contribution of more than \$100 may be counted toward the required percentage. For~~  
5 ~~a candidate at the spring or general election for an office identified in s. 11.26 (1) (a)~~  
6 ~~or a candidate at a special election, the required amount to qualify for a grant is 5%~~  
7 ~~of the candidate's authorized disbursement limitation under s. 11.31. For any other~~  
8 ~~candidate at the general election, the required amount to qualify for a grant is 10%~~  
9 ~~of the candidate's authorized disbursement limitation under s. 11.31.~~

10 **SECTION 100.** 11.50 (2) (c) of the statutes is amended to read:

11 11.50 (2) (c) If a candidate has not filed financial reports as of the date of the  
12 spring primary, September primary, special primary, or date that the special primary  
13 would be held, if required, which indicate that he or she has met the qualification  
14 under par. (b) 5., the candidate may file a special report with the board. Such report  
15 shall be filed not later than the 7th day after the primary, or 7th day after the date  
16 the primary would be held, if required, and shall include such supplementary  
17 information as to sources of contributions which may be necessary to complete the  
18 candidate's qualification. The special report shall cover the period from the day after  
19 the last date covered on the candidate's most recent report, or from the date on which  
20 the first contribution was received or the first disbursement was made, whichever  
21 is earlier, if the candidate has not previously filed a report, to the date of such report.  
22 All information included on the special report shall also be included in the  
23 candidate's next report under s. 11.20. This paragraph does not apply to a candidate  
24 who files reports under s. 11.21 (16).

25 **SECTION 101.** 11.50 (2) (g) of the statutes is amended to read:

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## SECTION 101

1 11.50 (2) (g) A candidate who voluntarily files an application to receive a grant  
2 in accordance with this subsection accepts and agrees to comply with the  
3 contribution limitations prescribed in s. 11.26 and the disbursement limitations  
4 imposed under s. 11.31 (2), as adjusted under s. 11.31 (9), as binding upon himself  
5 or herself and his or her agents during the campaign of that candidate as defined in  
6 s. 11.31 (7), as a precondition to receipt of a grant under this section, unless the board  
7 determines that the candidate is not eligible to receive a grant, ~~the candidate~~  
8 ~~withdraws the application under par. (h), or par. (i)~~ s. 11.31 (3p) applies.

9 SECTION 102. 11.50 (2) (h) of the statutes is repealed.

10 SECTION 103. 11.50 (2) (i) of the statutes is repealed.

11 SECTION 104. 11.50 (2m) of the statutes is created to read:  
12

13 11.50 (2m) PUBLIC INFORMATION. (a) Annually, no later than September 1, the  
14 board may notify the state treasurer that an amount not exceeding 5% of the amount  
15 transferred to the fund in that year shall be placed in a public information account.  
16 Moneys in this account shall be expended by the board for the purpose of providing  
17 public information concerning the purpose and effect of this section and s. 71.10 (3).

18 (b) As part of the public information program under par. (a), the board shall  
19 prepare an easily understood description of the purpose and effect of this section and  
20 s. 71.10 (3).

21 (c) Any amount placed in the public information account that is not expended  
22 by the board in any year shall be retained in that account.

23 SECTION 105. 11.50 (2s) of the statutes is created to read:

24 11.50 (2s) POLITICAL PARTY ACCOUNTS. (a) *There is established a political party*  
*account for each eligible political party.* ~~The state chairperson of each eligible~~  
~~political party may, by written request to the board, provide for the establishment~~  
25 ~~or discontinuance of an account within the fund for that political party~~ Each political

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1 party account consists of all moneys designated by individuals for deposit in that  
2 account under s. 71.10 (3) (a).

3 (b) ~~Except as provided in sub. (4m)~~ <sup>✓</sup> from the account of each eligible political  
4 party, the board shall establish accounts for each office ~~as provided in sub. (4) and~~  
5 ~~shall apportion the moneys to each account in the same manner as provided in sub.~~ <sup>eligible candidates representing that party who</sup>  
6 <sup>qualify to receive grants.</sup> ~~(4).~~

7 Whenever an eligible candidate representing an eligible political party receives  
8 a grant, the state treasurer shall first make payment of the grant from the account  
9 <sup>of that party</sup> ~~established under this paragraph for the office that the candidate seeks,~~ <sup>Political Party</sup> to the extent  
10 that sufficient moneys are available in that account to make payment of the grant.

11 (c) If a political party does not have a candidate for any office specified in sub.  
12 (1) (a) 1. a. whose name is certified to appear on the ballot at a general or special  
13 election at which the office is filled, the board shall transfer the amount allocated  
14 under this subsection for the candidate of that political party to the general account.

15 (d) If a political party has a candidate for an office specified in sub. (1) (a) 1. a.  
16 who does not qualify to receive a grant under sub. (2), the board shall transfer the  
17 amount allocated to the certified opposing candidate under this subsection from the  
18 political party account of that candidate to the general account.

19 (e) If the amount to be allocated to an eligible candidate from a political party  
20 account under this subsection exceeds the amount for which the eligible candidate  
21 qualifies under sub. (9), the board shall transfer the amount allocated under this  
22 subsection for that candidate to the general account.

23 (f) If a political party for which an account is established under this subsection  
24 ceases to be an eligible political party ~~or if the state chairperson of an eligible political~~  
25 ~~party requests discontinuance of an account for the party under par. (a),~~ the board  
shall transfer the unencumbered balance of that account to the general account.

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## SECTION 106

1        **SECTION 106.** 11.50 (2w) of the statutes is created to read:

2        11.50 (2w) GENERAL ACCOUNT. There is established a general account within  
3        the fund consisting of all moneys designated by individuals for deposit in that  
4        account under s. 71.10 (3) (a).

5        **SECTION 107.** 11.50 (3) (a) (intro.) of the statutes is renumbered 11.50 (3) (intro.)  
6        and amended to read:

7        11.50 (3) NONPARTISAN CANDIDATES. (intro.) ~~Annually on August 15,~~  
8        Immediately after apportionment under sub. (2m), the state treasurer shall  
9        annually apportion all moneys appropriated to in the general account of the fund  
10       shall be apportioned as follows by the state treasurer:

11       **SECTION 108.** 11.50 (3) (a) 1. and 2. of the statutes are renumbered 11.50 (3) (a)  
12       and (b) and amended to read:

13       11.50 (3) (a) If an election for state superintendent is scheduled in the following  
14       year, 8% of the ~~fund~~ moneys in the general account shall be placed in a  
15       superintendency account. ~~From this~~ The superintendency account consists of the  
16       balance in the account and any supplement provided from the appropriation under  
17       s. 20.855 (4) (ba). Except as provided in sub. (4m), from the superintendency account,  
18       an equal amount shall be disbursed to the campaign depository account of each  
19       eligible candidate by the state treasurer.

20       (b) If an election for justice is scheduled in the following year, 8% of the ~~fund~~  
21       moneys in the general account shall be placed in a supreme court account. ~~From this~~  
22       The supreme court account consists of the balance in the account and any  
23       supplement provided from the appropriation under s. 20.855 (4) (ba). Except as  
24       provided in sub. (4m), from the supreme court account, an equal amount shall be



## BILL

1 disbursed to the campaign depository account of each eligible candidate by the state  
2 treasurer.

3 **SECTION 109.** 11.50 (3) (a) 3. of the statutes is renumbered 11.50 (3) (c) and  
4 amended to read:

5 11.50 (3) (c) The balance of the moneys in the general account shall be  
6 apportioned under sub. (4).

7 **SECTION 110.** 11.50 (3) (b) of the statutes is repealed.

8 **SECTION 111.** 11.50 (4) (intro.) of the statutes is amended to read:

9 11.50 (4) PARTISAN AND SPECIAL ELECTION CANDIDATES. (intro.) After  
10 apportionment under sub. (3), the remaining moneys shall constitute the partisan  
11 campaign account. The partisan campaign account consists of the balance in the  
12 account and any supplemental amount provided from the appropriation under s.  
13 20.855 (4) (ba). The state treasurer shall make payment of grants from the partisan  
14 campaign account only to the extent that sufficient moneys are not available in any  
15 account established under sub. (2s) (b) to make payment of the grants.

16 **SECTION 112.** 11.50 (4) (a) of the statutes is amended to read:

17 11.50 (4) (a) In the partisan campaign account, 25% of the moneys shall be  
18 apportioned into an executive campaign account and 75% of the moneys shall be  
19 apportioned into a legislative and special election campaign account.

20 **SECTION 113.** 11.50 (4) (c) of the statutes is amended to read:

21 11.50 (4) (c) The legislative and special election campaign account shall be  
22 divided into a senate campaign account to receive 25% of the moneys, and an  
23 assembly campaign account to receive 75% of the moneys. Each account shall then  
24 be apportioned between all eligible candidates for the same office in the entire state.

25 No apportionment shall be made by legislative district.

## BILL

## SECTION 114

1        ~~SECTION 114.~~ 11.50 (4) (cm) of the statutes is amended to read:

2        11.50 (4) (cm) ~~Each~~ There is established within the general account of the fund  
3        a special election account. The special election account consists of the balance in the  
4        remainder of the general account and any supplemental amount provided from the  
5        appropriation under s. 20.855 (4) (ba). Except as provided in sub. (4m), from the  
6        special election account, each eligible candidate ~~for the same office at a special~~  
7        election of a political party whose candidate for the same office received a grant at  
8        the preceding general election shall receive an equal amount, which amount shall be  
9        a grant equivalent to the maximum combined grant which from the general and  
10       party accounts that was payable to ~~any the~~ candidate of the same political party for  
11       that office at the ~~most recent spring or~~ preceding general election. ~~The amount shall~~  
12       ~~be drawn from the senate campaign account and the assembly campaign account in~~  
13       ~~the same proportions as the balance in each account bears to the total balance in both~~  
14       ~~accounts at the time that payments are made. Whenever there are insufficient~~  
15       ~~moneys in the senate campaign account and the assembly campaign account to make~~  
16       ~~the payments required by this paragraph, payments shall be appropriately reduced~~  
17       ~~or discontinued by the board~~ Except as provided in sub. (4m), from the special  
18       election account, each eligible candidate for state superintendent at a special  
19       election shall receive a grant equivalent to the grant that was payable to candidates  
20       for that office at the most recent spring election. Except as provided in sub. (4m),  
21       from the special election account, each eligible candidate at a special election who  
22       does not represent a political party and whose candidate for the same office at the  
23       preceding spring or general election received a grant shall receive a grant equivalent  
24       to the grant that was payable to candidates for the same office at the preceding spring  
25       or general election from the general account.

**BILL**

1       **SECTION 115.** 11.50 (4) (d) of the statutes is repealed.

2       **SECTION 116.** 11.50 (4m) of the statutes is created.

3       **11.50 (4m) ADJUSTMENT OF GRANT AMOUNTS.** If the amount of a grant that is  
4 payable to an eligible candidate under sub. (2s), (3), or (4) exceeds the amount that  
5 the candidate is permitted to accept under sub. (9), the board shall reduce the grant  
6 to the amount permitted under sub. (9). If the amount of a grant that is payable to  
7 an eligible candidate under sub. (2s), (3) or (4) is less than the amount that is payable  
8 to the candidate under sub. (9), the board shall supplement the grant to that  
9 candidate from the appropriation under s. 20.855 (4) (ba).

10       **SECTION 117.** 11.50 (5) of the statutes is amended to read:

11       **11.50 (5) TIME OF DISBURSEMENT.** The state treasurer shall make the  
12 disbursements of grants under sub. (9) (a) to the campaign depository account of each  
13 eligible candidate under subs. (3) and (4) by the end of the 3rd business day following  
14 notice from the board under s. 7.08 (2) (c) or (cm). If an eligible candidate notifies the  
15 state treasurer of the information required to make electronic transfers to the  
16 candidate's campaign depository account, the state treasurer shall transfer to the  
17 candidate any supplemental grants under sub. (9) (b) or (ba) for which the candidate  
18 qualifies immediately following notice from the board under s. 7.08 (2) (c) or (cm).  
19 Eligible candidates for governor and lieutenant governor of the same political party  
20 may combine accounts if desired.

21       **SECTION 118.** 11.50 (7) of the statutes is renumbered 11.50 (7) (a).

22       **SECTION 119.** 11.50 (7) (bm) of the statutes is created to read:

23       **11.50 (7) (bm)** If a grant is used to purchase an advertisement from a broadcast  
24 communications medium, the advertisement may not include any voice other than  
25 the voice of the eligible candidate to whom the grant is provided.

**BILL****SECTION 120**

**SECTION 120.** 11.50 (9) (title) of the statutes is amended to read:

11.50 (9) (title) ~~LIMITATION ON~~ AMOUNT OF GRANTS.

**SECTION 121.** 11.50 (9) of the statutes is renumbered 11.50 (9) (a) (intro.) and amended to read:

11.50 (9) (a) (intro.) ~~The Except as provided in pars. (b) and (ba), the total grant~~  
*an amount equal to the lesser of the percentage specified in this paragraph or*  
available to an eligible candidate may not exceed that amount which, when added  
to all other contributions accepted from sources other than individuals, ~~and political~~  
*by the candidate*  
~~party committees and legislative campaign committees,~~ is equal to 45% ~~the~~  
~~percentage of~~ the disbursement level specified ~~in this paragraph~~  
office, as determined under s. 11.31 (1) and adjusted as provided under s. 11.31 (9)  
but without respect to any adjustment under s. 11.31 (1m). The board shall  
scrutinize accounts and reports and records kept under this chapter to assure that  
applicable limitations under ss. 11.26 (9) and 11.31 are not exceeded and any  
violation is reported. No candidate or campaign treasurer may accept grants  
exceeding the amount authorized by this subsection. The percentage is:

**SECTION 122.** 11.50 (9) (a) 1. and 2. of the statutes are created to read:

11.50 (9) (a) 1. For an eligible candidate for the office of justice or the office of  
state superintendent, 75% of the disbursement limitation.

2. For an eligible candidate for any other state office, 45% of the disbursement  
limitation.

**SECTION 123.** 11.50 (9) (b) and (ba) of the statutes are created to read:

11.50 (9) (b) If an eligible candidate who accepts a grant is opposed by one or  
more candidates whose names are certified under s. 7.08 (2) (a) or 8.50 (1) (d) to  
appear on the ballot, and if a committee identified under s. 11.05 (3) (c) makes any  
disbursement for the purpose of opposing the election of the eligible candidate who

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1 accepts a grant or for the purpose of supporting a certified opponent of that candidate  
2 without cooperation or consultation with any certified opposing candidate or such a  
3 candidate's agent or authorized committee, and not in concert with, or at the request  
4 or suggestion of any certified opposing candidate's agent or authorized committee,  
5 then the board shall make an additional grant to the eligible candidate who accepts  
6 a grant in an amount equal to the total amount or value of disbursements made for  
7 the purpose of supporting the election of the certified opposing candidate or for the  
8 purpose of opposing the election of the eligible candidate who accepts the grant,  
9 exceeding 10% of the disbursement limitation for the office that the eligible  
10 candidate seeks as reported by committees under s. 11.12 (6) (c).

11 (ba) If an eligible candidate who accepts a grant is opposed by one or more  
12 candidates who are required, or whose personal campaign committees are required,  
13 to file a report under s. 11.12 (8), then the board shall make an additional grant to  
14 the eligible candidate who accepts a grant in an amount equal to the total amount  
15 or value of disbursements made by the opposing candidate or candidates exceeding  
16 the amount specified under s. 11.31 (1) (a) to (de), (e), or (f) for the office which the  
17 candidate seeks, as reported by the opposing candidate under s. 11.12 (8).

18 **SECTION 124.** 11.50 (11) (e) of the statutes is amended to read:

19 11.50 (11) (e) No candidate may expend, authorize the expenditure of or incur  
20 any obligation to expend any grant if he or she violates the pledge required under  
21 sub. (2) (a) as a precondition to receipt of a grant, ~~except as authorized in sub. (2) (h)~~  
22 ~~or (i).~~

23 **SECTION 125.** 11.50 (14) of the statutes is created to read:

24 11.50 (14) CERTIFICATIONS TO SECRETARY OF REVENUE. (a) In each  
25 even-numbered year, the board shall certify to the secretary of revenue:

**BILL****SECTION 125**

1           1. No later than July 1, the name of each political party that qualifies under  
2       sub. (1) (am) 1. as an eligible political party as of the preceding June 1 and whose  
3       state chairperson has filed a request to establish an account for the party under sub.  
4       (2s) (a).

5           2. No later than December 15, the name of each political party that qualifies  
6       under sub. (1) (am) 2. as an eligible political party as of the date of the preceding  
7       general election ~~and whose state chairperson has filed a written request to establish~~  
8       ~~an account for the party under sub. (2s) (a).~~

9           (b) As soon as possible after receiving a valid application from an eligible  
10       candidate under sub. (2) (a) and determining that the candidate is eligible to receive  
11       a grant, the board shall certify to the secretary of revenue the full name of that  
12       candidate as the name appears on the candidate's nomination papers.

13          (c) In each certification under this subsection, the board shall specify the  
14       expiration date of the certification.

15       **SECTION 126.** 11.60 (4) of the statutes is amended to read:

16       11.60 (4) Actions under this section arising out of an election for state office or  
17       a statewide referendum may be brought by the board or by the district attorney of  
18       the county where the violation is alleged to have occurred, except as specified in s.  
19       11.38. Actions under this section arising out of an election for local office or local  
20       referendum may be brought by the district attorney of the county where the violation  
21       is alleged to have occurred. Actions under this section arising out of an election for  
22       county office or a county referendum may be brought by the county board of election  
23       commissioners of the county wherein the violation is alleged to have occurred. In  
24       addition, whenever a candidate or personal campaign committee or agent of a  
25       candidate is alleged to have violated this chapter, action may be brought by the

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1 district attorney of any county any part of which is contained within the jurisdiction  
2 or district in which the candidate seeks election. If a violation concerns a district  
3 attorney or circuit judge or candidate for such offices, the action shall be brought by  
4 the attorney general. If a violation concerns the attorney general or a candidate for  
5 such office, the governor may appoint special counsel under s. 14.11 (2) to bring suit  
6 in behalf of the state. The counsel shall be independent of the attorney general and  
7 need not be a state employe at the time of appointment.

8 **SECTION 127.** 11.61 (1) (a) of the statutes is amended to read:

9 11.61 (1) (a) Whoever intentionally violates s. 11.05 (1), (2), or (2g) ~~or (2r)~~, 11.07  
10 (1) or (5), 11.10 (1), 11.12 (5), 11.23 (6), or 11.24 (1) may be fined not more than \$10,000  
11 or imprisoned for not more than 4 years and 6 months or both.

12 **SECTION 128.** 13.625 (1) (b) 3. of the statutes is amended to read:

13 13.625 (1) (b) 3. Food, meals, beverages, money or any other thing of pecuniary  
14 value, ~~except that a lobbyist may make a campaign contribution to a partisan elective~~  
15 ~~state official or candidate for national, state or local office or to the official's or~~  
16 ~~candidate's personal campaign committee; but a lobbyist may make a contribution~~  
17 ~~to which par. (c) applies only as authorized in par. (c).~~

18 **SECTION 129.** 13.625 (1) (c) (intro.) of the statutes is renumbered 13.625 (1) (c)  
19 and amended to read:

20 13.625 (1) (c) ~~Except as permitted in this subsection, make~~ Make a campaign  
21 contribution, as defined in s. 11.01 (6), to a partisan elective state official for the  
22 purpose of promoting the official's election to any national, state or local office, or to  
23 a candidate for a partisan elective state office to be filled at the general election or  
24 a special election, or the official's or candidate's personal campaign committee. ~~A~~  
25 ~~campaign contribution to a partisan elective state official or candidate for partisan~~

**BILL****SECTION 129**

1 ~~elective state office or his or her personal campaign committee may be made in the~~  
2 ~~year of a candidate's election between June 1 and the day of the general election,~~  
3 ~~except that: a lobbyist may make a campaign contribution to a candidate for a~~  
4 ~~partisan elective state office, or to the personal campaign committee of such a~~  
5 ~~candidate, if the candidate seeks office in the jurisdiction or district where the~~  
6 ~~lobbyist resides.~~

7 **SECTION 130.** 13.625 (1) (c) 1. and 2. of the statutes are repealed.

8 **SECTION 131.** 13.625 (2) of the statutes is amended to read:

9 13.625 (2) No principal may engage in the practices prohibited under sub. (1)  
10 (b) and (e) except that a principal may make a campaign contribution, as defined in  
11 s. 11.01 (6), to a partisan elective state official or candidate for partisan elective state  
12 office or his or her personal campaign committee in the year of an official's or  
13 candidate's election between June 1 and the day of the general election unless, in the  
14 case of a member of the legislature or candidate for legislative office, the legislature  
15 has not concluded its final floor period or is in special or extraordinary session. This  
16 subsection does not apply to the furnishing of transportation, lodging, food, meals,  
17 beverages or any other thing of pecuniary value which is also made available to the  
18 general public.

19 **SECTION 132.** 13.625 (3m) of the statutes is created to read:

20 13.625 (3m) No member of the legislature and no personal campaign  
21 committee of a member of the legislature may solicit a lobbyist or principal to arrange  
22 for another person to make a campaign contribution to that member or personal  
23 campaign committee.

24 **SECTION 133.** 13.625 (6) of the statutes is amended to read:



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1           13.625 (6) Subsections (1) (b) and (c), (2) and (3) do not apply to the furnishing  
2 of anything of pecuniary value by an individual who is a lobbyist or principal to a  
3 relative of the individual or an individual who resides in the same household as the  
4 individual, nor to the receipt of anything of pecuniary value by that relative or  
5 individual residing in the same household as the individual. Subsections (1) (b), (2)  
6 and (3) do not apply to the furnishing of anything of pecuniary value, except a  
7 campaign contribution, as defined in s. 11.01 (6), by a lobbyist to a relative of the  
8 lobbyist or an individual who resides in the same household as the lobbyist, nor to  
9 the receipt of any such thing by that relative or individual residing in the same  
10 household as the individual.

11           **SECTION 134.** 15.61 of the statutes is amended to read:

12           **15.61 Elections board; creation.** There is created an elections board  
13 consisting of persons who shall be appointed by the governor for 2-year terms as  
14 follows: one member selected by the governor; one member each designated by the  
15 chief justice of the supreme court, the speaker of the assembly, the senate majority  
16 leader, the minority leader in each house of the legislature, and the chief officer of  
17 each political party qualifying that qualified for a separate ballot under s. 5.62 (1)  
18 (b) or (2) ~~whose candidate for governor received at least 10% of the vote in the most~~  
19 ~~recent gubernatorial preceding September primary election.~~

20           **SECTION 135.** 20.510 (1) (q) of the statutes is amended to read:

21           20.510 (1) (q) *Wisconsin election campaign fund.* As a continuing  
22 appropriation, from the Wisconsin election campaign fund, the moneys determined  
23 under s. 11.50 to provide for payments to eligible candidates whose names are  
24 certified under s. 7.08 (2) (c) and (cm) and to provide for public information as  
25 authorized under s. 11.50 (2m).

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**SECTION 136.** 20.855 (4) (ba) of the statutes is created to read:

20.855 (4) (ba) *Wisconsin election campaign fund supplement.* A sum sufficient equal to the amounts required to make full payment of grants which candidates qualify to receive from the Wisconsin election campaign fund, to be transferred from the general fund to the Wisconsin election campaign fund no later than the time required to make payments of grants under s. 11.50 (5).

**SECTION 137.** 25.42 of the statutes is amended to read:

**25.42 Wisconsin election campaign fund.** All moneys appropriated under s. 20.855 (4) (b) and (ba) together with all moneys deposited under ss. 8.35 (4) (a), 11.07 (5), 11.12 (2), 11.16 (2), 11.19 (1), (1m) and (6), 11.23 (2) and 11.38 (6), all moneys reverting to the state under s. 11.50 (8) and all gifts, bequests and devises received under s. 11.50 (13) constitute the Wisconsin election campaign fund, to be expended for the purposes of s. 11.50. All moneys in the fund not disbursed by the state treasurer shall continue to accumulate indefinitely.

**SECTION 138.** 71.05 (6) (a) 21. of the statutes is created to read:

71.05 (6) (a) 21. Any amount deducted under section 162 (e) (1) of the Internal Revenue Code because of the exception contained in section 162 (e) (5) of the Internal Revenue Code.

**SECTION 139.** 71.07 (5) (a) 9. of the statutes is created to read:

71.07 (5) (a) 9. Expenses under section 162 (e) (1) of the Internal Revenue Code that are deductible because of the exception contained in section 162 (e) (5) of the Internal Revenue Code.

**SECTION 140.** 71.07 (6n) of the statutes is created to read:

71.07 (6n) CAMPAIGN CONTRIBUTION TAX CREDIT. (a) *Definitions.* In this subsection:

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1 1. "Candidate" means a candidate, as defined in s. 11.01 (1), for state office who  
2 files an application under s. 11.50 (2) for a grant from the Wisconsin election  
3 campaign fund that has been accepted by the elections board.

4 2. "Claimant" means an individual who makes a contribution to a candidate  
5 and who resides within the same electoral district as the candidate to whom that  
6 contribution is made.

7 3. "Contribution" means a contribution, as defined in s. 11.01 (6), made to a  
8 candidate or political party committee by an individual for which the individual  
9 receives a receipt on a form prescribed by the department.

10 4. "Department" means the department of revenue.

11 5. "Electoral district" means the geographical area that constitutes the  
12 jurisdiction of the office that a candidate seeks.

13 6. "Political party committee" means a state or county committee of a political  
14 party, as defined in s. 5.02 (13), that on the first day of the taxable year in which a  
15 contribution is made is a recognized political party as defined in s. 5.02 (16m) and  
16 is registered with the elections board under s. 11.05 (1).

17 7. "State office" has the meaning given in s. 5.02 (23).

18 *JWS*  
*67-178* (b) ~~Filing claims.~~ Subject to the limitations provided in this subsection, a  
19 claimant may claim as a credit against the tax imposed under s. 71.02, up to the  
20 amount of those taxes, an amount equal to his or her contribution.

21 (c) ~~Limitations.~~ 1. The maximum contribution for which a credit may be  
22 claimed <sup>by a claimant</sup> under this subsection, in the taxable year to which the claim relates, is \$50  
23 for each candidate to whom or political party committee to which <sup>the</sup> a claimant makes

24 a contribution. <sup>#2.</sup> The maximum total contributions for which credits  
may be claimed under this subsection, in the taxable year to which  
the claim relates, is \$100.  
*by a claimant*

## BILL

(d) I Time ~~period~~ period.  
2 (No credit may be allowed under this subsection unless it is claimed within  
the time period under s. 71.75 (2).

(e)  
3 ~~for~~ Administration. 1. Subsection (9e) (d), to the extent that it applies to the  
4 credit under that subsection, applies to the credit under this subsection.

5 2. The department shall create and make available to candidates a form to be  
6 used by candidates and political party committees in issuing receipts for  
7 contributions.

8 SECTION 141. 71.10 (3) (a) of the statutes is amended to read:

9 71.10 (3) (a) Every individual filing an income tax return who has a tax liability  
10 or is entitled to a tax refund may designate \$1 \$5 for transfer to the Wisconsin  
11 election campaign fund for the use of eligible candidates under s. 11.50. If the  
12 individuals filing a joint return have a tax liability or are entitled to a tax refund,  
13 each individual may make a designation of \$1 \$5 under this subsection. Each  
14 individual making a designation shall indicate whether the amount designated by  
15 that individual shall be placed in the general account for the use of all eligible  
16 candidates for state office, or in the account of the state committee or a specified  
17 county committee of an eligible political party whose name is certified to the  
18 secretary of revenue under s. 11.50 (14). If an individual does not indicate that the  
19 amount of his or her designation shall be placed in the account of a particular eligible  
20 political party, that amount shall be placed in the general account.

21 SECTION 142. 71.10 (3) (b) of the statutes is amended to read:

22 71.10 (3) (b) The secretary of revenue shall provide a place for these  
23 designations under par. (a) on the face of the individual income tax return and shall  
24 provide next to that place a statement that a designation will not increase tax  
25 liability. ~~Annually on August 15~~ The secretary shall also provide and highlight a

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1 place in the instructions that accompany the return for any information submitted  
2 to the secretary by the elections board under s. 11.50 (2m). *not sent case to the board* No later than the 15th  
3 day of each month, the secretary of revenue shall certify to the elections board, the  
4 department of administration and the state treasurer ~~under s. 11.50~~ the total  
5 amount of designations made on returns processed by the department of revenue  
6 during the preceding fiscal year month and the amount of designations made during  
7 that month for the general account and for the account of each eligible political party.  
8 If any individual attempts to place any condition or restriction upon a designation  
9 not authorized under par. (a), that individual is deemed not to have made a  
10 designation on his or her tax return.

11 **SECTION 143.** 71.10 (4) (cn) of the statutes is created to read:

12 71.10 (4) (cn) Campaign contribution tax credit under s. 71.07 (6n).

13 **SECTION 144.** 71.26 (1) (a) of the statutes is amended to read:

14 71.26 (1) (a) *Certain corporations.* Income of corporations organized under ch.  
15 185, except income of a cooperative sickness care association organized under s.  
16 185.981, or of a service insurance corporation organized under ch. 613, that is derived  
17 from a health maintenance organization as defined in s. 609.01 (2) or a limited  
18 service health organization as defined in s. 609.01 (3), or operating under subch. I  
19 of ch. 616 which are bona fide cooperatives operated without pecuniary profit to any  
20 shareholder or member, or operated on a cooperative plan pursuant to which they  
21 determine and distribute their proceeds in substantial compliance with s. 185.45,  
22 and the income, except the unrelated business taxable income as defined in section  
23 512 of the internal revenue code and except income that is derived from a health  
24 maintenance organization as defined in s. 609.01 (2) or a limited service health  
25 organization as defined in s. 609.01 (3), of all religious, scientific, educational,

**BILL****SECTION 144**

1 benevolent or other corporations or associations of individuals not organized or  
2 conducted for pecuniary profit. In computing unrelated business taxable income for  
3 the purposes of this paragraph, the expenses that are deductible under section 162  
4 (e) (1) of the Internal Revenue Code because of the exception contained in section 162  
5 (e) (5) of the Internal Revenue Code may not be deducted. This paragraph does not  
6 apply to the income of savings banks, mutual loan corporations or savings and loan  
7 associations. This paragraph does not apply to income that is realized from the sale  
8 of or purchase and subsequent sale or redemption of lottery prizes if the winning  
9 tickets were originally bought in this state. This paragraph applies to the income of  
10 credit unions except to the income of any credit union that is derived from public  
11 deposits for any taxable year in which the credit union is approved as a public  
12 depository under ch. 34 and acts as a depository of state or local funds under s.  
13 186.113 (20). For purposes of this paragraph, the income of a credit union that is  
14 derived from public deposits is the product of the credit union's gross annual income  
15 for the taxable year multiplied by a fraction, the numerator of which is the average  
16 monthly balance of public deposits in the credit union during the taxable year, and  
17 the denominator of which is the average monthly balance of all deposits in the credit  
18 union during the taxable year.

19 **SECTION 145.** 71.26 (2) (b) 1g. of the statutes is created to read:

20 71.26 (2) (b) 1g. In computing the net income under this paragraph of a  
21 corporation, conduit or common law trust that qualifies as a regulated investment  
22 company, real estate mortgage investment conduit or real estate investment trust,  
23 expenses that are deductible under section 162 (e) (1) of the Internal Revenue Code  
24 because of the exception contained in section 162 (e) (5) of the Internal Revenue Code  
25 may not be deducted.

**BILL**

1           **SECTION 146.** 71.26 (3) (e) 4. of the statutes is created to read:

2           71.26 (3) (e) 4. So that expenses that are deductible under section 162 (e) (1)  
3 of the Internal Revenue Code because of the exception contained in section 162 (e)  
4 (5) of the Internal Revenue Code may not be deducted.

5           **SECTION 147.** 71.34 (1) (ad) of the statutes is created to read:

6           71.34 (1) (ad) The expenses that are deductible under section 162 (e) (1) of the  
7 Internal Revenue Code because of the exception contained in section 162 (e) (5) of the  
8 Internal Revenue Code may not be deducted.

9           **SECTION 148.** 71.45 (2) (a) 16. of the statutes is created to read:

10          71.45 (2) (a) 16. By adding to federal taxable income the amount of any  
11 expenses that are deductible under section 162 (e) (1) of the Internal Revenue Code  
12 because of the exception contained in section 162 (e) (5) of the Internal Revenue Code.

13          **SECTION 149.** 806.04 (11m) of the statutes is created to read:

14          806.04 (11m) CAMPAIGN FINANCE REGISTRATION. Any person who proposes to  
15 publish, disseminate or broadcast, or causes to be published, disseminated or  
16 broadcast, any communication may commence a proceeding under this section to  
17 determine the application to that person of a registration requirement under s. 11.05  
18 (1), (2) or (2g).

19          **SECTION 150. Nonstatutory provisions.**

20          (1) ELECTIONS BOARD APPOINTMENTS. Notwithstanding sections 15.07 (1) (c) and  
21 15.61 of the statutes, each political party that qualified for a separate ballot under  
22 section 5.62 (1) (b) or (2) of the statutes at the September primary election preceding  
23 the effective date of this subsection, but that did not designate an individual to the  
24 governor for appointment to the elections board under section 15.61 of the statutes  
25 may designate an individual to the governor for appointment to the elections board

**BILL****SECTION 150**

1 to serve for a term expiring on May 1 of the odd-numbered year following the  
2 appointment.

3 (2) NONSEVERABILITY. Notwithstanding section 990.01 (11) of the statutes, if a  
4 court finds that all or any portion of section 11.01 (16) (a) 3., 11.12 (6) (c) or (8), or 11.50  
5 (9) (b) or (ba) of the statutes, as created by this act, or section 11.06 (2) of the statutes,  
6 as affected by this act, is unconstitutional, then sections 11.01 (16) (a) 3., 11.12 (6)  
7 (c) and (8) and 11.50 (9) (b) and (ba) of the statutes, as created by this act, and the  
8 treatment of section 11.06 (2) of the statutes by this act are void in their entirety.

**SECTION 151. Appropriation changes; elections board.**

9 (1) In the schedule under section 20.005 (3) of the statutes for the appropriation  
10 to the elections board under section 20.510 (1) (a) of the statutes, as affected by the  
11 acts of 2001, the dollar amount is increased by ~~\$40~~ <sup>\$76,100</sup> for fiscal year 2001-02 and the  
12 dollar amount is increased by ~~\$40~~ <sup>\$85,100</sup> for fiscal year 2002-03 to increase the authorized  
13 FTE positions for the elections board by 1.0 GPR campaign finance investigator  
14 position and 1.0 GPR auditor position. *and to fund supporting expenses for those positions*

**SECTION 152. Initial applicability.**

15 (1) Except as provided in subsections (1) and (2), this act first applies to  
16 elections held on the day after publication.

17 (2) The treatment of sections 11.50 (2m), 71.05 (6) (a) 21., 71.07 (5) (a) 9. and  
18 (6n), 71.10 (3) (a) and (4) (cn), 71.26 (1) (a), (2) (b) 1g., and (3) (e) 4., 71.34 (1) (ad), and  
19 71.45 (2) (a) 16. of the statutes first applies to claims filed for taxable years beginning  
20 on January 1 of the year in which this subsection takes effect, except that if this  
21 subsection takes effect after July 31 this act first applies to claims filed for taxable  
22 years beginning on January 1 of the year following the year in which this subsection  
23 takes effect.  
24  
25



## SECTION 152

**3 (END)**

Ins 3A2 ✓

~~Opposing candidates~~ for state office or statewide ballot questions file their reports with the state elections board. ~~Effective with reports filed on July 1, 1999, each~~ registrant for whom the elections board serves as a filing agency and who or which accepts contributions in a total amount or value of \$20,000 or more during a campaign period, or a biennial period for a registrant other than a candidate or personal campaign or support committee, must file reports with the board electronically. The board must make available to registrants software that is designed to facilitate complete electronic filing of campaign finance reports at a price that may not exceed cost. Any registrant who or which files a report electronically must also file a copy of the report recorded on a medium prescribed by the board. The board must provide complete instructions to any registrant who or which files reports electronically. Each

This bill requires campaign finance reports to be filed electronically by each candidate for state office who applies for and receives a public grant, as well as by each individual or organization who or which is currently subject to a registration requirement with the elections board and who or which accepts contributions exceeding a total of \$20,000 within a calendar year and by each individual or organization who or which makes expenditures exceeding a total of \$20,000 within a calendar year for mass communications which include the name or likeness of one or more candidates for state office. Under the bill, the reports must be made monthly, except that an electronic report must be filed within 24 hours of the occurrence of a transaction during the period beginning 30 days before the primary election, if any, or beginning 30 days before the election if no primary is held, and ending on the day of the election, unless a registrant makes no disbursements and incurs no obligations in connection with such an election. In addition, 24-hour electronic reports need only contain an itemization of cumulative annual contributions or donations exceeding \$100 from a single contributor, instead of cumulative annual contributions or donations exceeding \$20 as required for other reports. The bill requires the board to provide one copy of the software prescribed by the board and each revision thereof and to offer basic training in the use of that software, at state expense, to each candidate for state office or that candidate's personal campaign committee. In accordance with current law, the bill also requires registrants who file electronically to file copies of reports, at the times currently prescribed by law, recorded on a medium prescribed by the board. Under the bill, once a registrant or other individual or organization becomes subject to an electronic reporting requirement, the requirement continues to apply until a termination report is filed, regardless of the level of continuing financial activity of the registrant or other individual or organization. The changes apply effective with reports filed on July 1, 2001. 2003

The bill also requires the elections board, within 24 hours after receiving any information that is required to be reported to the board electronically (or if the information is received on a Saturday, Sunday or holiday on which state offices are closed, within 24 hours after the beginning of the first business day after receiving such information), to post the information electronically for public inspection on the Internet.

**2001-2002 DRAFTING INSERT  
FROM THE  
LEGISLATIVE REFERENCE BUREAU**

LRB-0311/3ins  
JTK & RJM.....

1 ✓

INSERT 3A:

This bill provides that an individual who accepts contributions, makes disbursements, or incurs obligations or group that makes or accepts contributions, makes disbursements, or incurs obligations in connection with one or more referenda is not subject to registration and reporting requirements until the individual or group engages in activity exceeding \$100 cumulatively within a calendar year.

INSERT 10A: ✓

NOT, which is distributed to all candidates representing that party who qualify for a grant. However, if there are insufficient moneys in these accounts to permit any candidate who qualifies for a grant from receiving the full amount for which the candidate qualifies, the bill provides for the deficiency to be drawn from state general purpose revenue.

INSERT 11A: ✓

3. Provides that a candidate who applies for a grant may not accept any contribution from any committee other than a political party committee. If the candidate has accepted any contribution from a committee other than a political party committee during the campaign for the office that the candidate is currently seeking, the candidate must return the contribution to the contributor or donate the contribution to a charitable organization or to the Wisconsin election campaign fund or the common school fund before filing an application for a grant. The candidate may, however, later accept a contribution from a committee other than a political party committee if the candidate is determined by the elections board to be ineligible to receive a grant, after the date of that withdrawal determination.

INSERT 18-18: ✓

**SECTION 1.** 11.05 (1) (b) of the statutes is created to read:

11.05 (1) (b) Every political group subject to registration under s. 11.23 which makes or accepts contributions, incurs obligations, or makes disbursements in a calendar year in an aggregate amount in excess of \$100 shall file a statement with the appropriate filing officer giving the information required by sub. (3). ✓

**SECTION 2.** 11.05 (2) of the statutes is renumbered 11.05 (2) (a) and amended to read:

11.05 (2) (a) ~~INDIVIDUALS~~ Except as provided in s. 9.10 (2) (d), every individual, other than a candidate or agent of a candidate, who accepts contributions, incurs obligations, or makes disbursements with respect to one or more elections for state or local office in a calendar year in an aggregate amount in excess of \$25 shall file a statement with the appropriate filing officer giving the information required by sub. (3).<sup>✓</sup> An individual who guarantees a loan on which an individual, committee or group subject to a registration requirement defaults is not subject to registration under this subsection solely as a result of such default.

**History:** 1973 c. 334; 1975 c. 93, 199, 200; 1977 c. 427; 1979 c. 328; 1979 c. 355 s. 241; 1981 c. 314 s. 146; 1983 a. 484; 1985 a. 303 ss. 7 to 15r, 86; 1987 a. 370, 391, 403; 1989 a. 192.

**SECTION 3.** 11.05 (2) (b) of the statutes is created to read:

11.05 (2)(b) Every individual who accepts contributions, incurs obligations, or makes disbursements with respect to one or more referenda in a calendar year in an aggregate amount in excess of \$100 shall file a statement with the appropriate filing officer giving the information required by sub. (3).<sup>✓</sup>

<sup>✓</sup>  
INSERT 21-8:

**SECTION 4.** 11.05 (12) (b) of the statutes is amended to read:

11.05 (12) (b) Except as authorized under sub. (13), a committee, group or individual other than a candidate or agent of a candidate shall comply with sub. (1) or (2) no later than the 5th business day commencing after receipt of the first contribution by such committee, group or individual, and before making any disbursement. No committee, group or individual, other than a candidate or agent of a candidate, may accept any contribution or contributions exceeding \$25 in the

*sub.*  
aggregate the amount specified in s. 11.05 (1) or (2) during a calendar year at any time when the committee, group or individual is not registered under this section except within the initial 5-day period authorized by this paragraph.

**History:** 1973 c. 334; 1975 c. 93, 199, 200; 1977 c. 427; 1979 c. 328; 1979 c. 355 s. 241; 1981 c. 314 s. 146; 1983 a. 484; 1985 a. 303 ss. 7 to 15r, 86; 1987 a. 370, 391, 403; 1989 a. 192.

INSERT 25-24: ✓

**SECTION 5.** 11.07 (1) of the statutes is amended to read:

11.07 (1) Every nonresident committee or group making contributions and every nonresident individual, committee or group making disbursements exceeding \$25 ~~cumulatively~~ the amount specified in s. 11.05 (1) or (2) in a calendar year within this state shall file the name, mailing and street address and the name and the mailing and street address of a designated agent within the state with the office of the secretary of state. An agent may be any adult individual who is a resident of this state. After any change in the name or address of such agent the new address or name of the successor agent shall be filed within 30 days. Service of process in any proceeding under this chapter or ch. 12, or service of any other notice or demand may be made upon such agent.

**History:** 1973 c. 334; 1975 c. 93, 199; 1991 a. 316.

INSERT 39-25: ✓

**SECTION 6.** 11.24 (1w) of the statutes is created to read:

11.24 (1w) No candidate or personal campaign committee of a candidate who applies for a grant under s. 11.50 may accept any contribution from a committee other than a political party committee.

INSERT 52-7: ✓

*No A*  
The application shall also contain a sworn statement that the candidate and his or her agents have not accepted any contribution made by a committee other than a political party committee during the campaign, or <sup>if</sup> ~~if~~ any such contribution has been accepted, that the contribution has been returned or donated as provided in par. (i), and the candidate and his or her agents will ~~continue not to~~ accept any such contribution during the campaign, unless the candidate is determined by the board to be ineligible to receive a grant after the date of that determination.

INSERT 54-10: ✓

SECTION 7. 11.50 (2) (j) of the statutes is created to read:

✓ 11.50 (2) (j) If a candidate who desires to apply for a grant has accepted, or the candidate's personal campaign committee has accepted, a contribution from a committee other than a political party committee during the campaign for the office that the candidate seeks, the candidate shall, before filing an application to receive a grant, return the contribution or its monetary equivalent to the contributor, or <sup>at</sup> ~~at~~ the contributor's option <sup>Keep comma</sup> ~~or~~ donate an amount equal to the contribution to the fund or to the common school fund. If the board later determines that the candidate is ineligible to receive a grant, the candidate may then accept contributions from committees other than political party committees after the date of that determination. ( ) ✓

INSERT 56-4: ✓

SECTION 8. 11.50 (3) of the statutes is repealed.

SECTION 9. 11.50 (4) of the statutes is repealed and recreated to read:

11.50 (4) PAYMENT OF GRANT AMOUNTS. The state treasurer shall make payment of each grant to an eligible candidate from the political party account of that candidate's political party, if any, if there are sufficient moneys in that account to make full payment of the grant, and then from the general account. If there are insufficient moneys in the general account to make full payment of a grant, the state treasurer shall supplement the general account from the appropriation under s. 20.855 (4) (ba) in an amount sufficient to make full payment of the grant. Except as provided in sub. (10), the amount of each grant is the amount specified in sub. (9).

INSERT 59-20:

SECTION 10. 11.50 (6) of the statutes is amended to read:

11.50 (6) EXCESS MONEYS. If the amounts which are to be apportioned to each eligible candidate ~~under subs. (3) and (4)~~ are more than the amount which a candidate may accept under sub. (9), or more than the amount which a candidate elects to accept under sub. (10), the excess moneys shall be retained in the fund.

History: 1977 c. 107, 272; 1979 c. 328; 1983 a. 51; 1983 a. 484 s. 174; 1985 a. 303 ss. 73 to 79, 86; 1987 a. 370, 391, 403; 1989 a. 31; 1989 a. 192 s. 75.

JWS 38-2-1

1 shall provide ~~copies~~ one copy of the software and each revision thereof to registrants  
2 each candidate for state office or that candidate's personal campaign committee at  
3 the expense of the board and shall provide copies to other persons at a price fixed by  
4 the board that may not exceed cost. Each registrant who or which files a report under  
5 ~~this subsection in an electronic format shall also file a copy of the report with the~~  
6 ~~board that is recorded on a medium specified by the board. The copy~~ Each report  
7 under this subsection shall be signed certified by an authorized individual and filed  
8 with the board by each registrant or other person no later than the time prescribed  
9 for filing of the report under this chapter day following the end of each month, with  
10 respect to any transaction occurring during that month, except that if a transaction  
11 occurs during the period beginning 30 days prior to the primary and ending on the  
12 day of the election or, if no primary is held, during the period beginning 30 days prior  
13 to the election and ending on the day of the election, the registrant or other person  
14 shall report the transaction within 24 hours after the occurrence of the transaction  
15 unless a registrant makes no disbursements and incurs no obligations for the  
16 purpose of influencing that election, or unless a person other than a registrant makes  
17 no expenditures with respect to a candidate at that election. If a registrant who or  
18 which is not required to report transactions within 24 hours of their occurrence  
19 becomes subject to that requirement, the registrant shall initially file a report under  
20 this subsection within 24 hours after becoming subject to such a requirement.  
21 Notwithstanding ss. 11.06 (1) (a) and 11.065 (3) (a), if a registrant or other person is  
22 subject to a requirement under this subsection to report contributions or donations  
23 within 24 hours of receipt or acceptance, the electronic report need only contain an  
24 itemized statement of those contributions and donations made by a single  
25 contributor in an amount exceeding \$100 cumulatively within a calendar year. If a



1 registrant or other person becomes subject to a requirement to report electronically  
2 under this subsection, the registrant or other person shall continue to report  
3 electronically regardless of the amount of contributions accepted or expenditures  
4 made by the registrant or other person, until a termination report is filed. The board  
5 shall provide offer basic training to each candidate for state office or that candidate's  
6 personal campaign committee in the use of the software specified by the board and  
7 shall provide complete instructions in the use of that software to any registrant other  
8 person who or which files a report under this subsection. In this subsection, the  
9 "campaign period" of a candidate, personal campaign committee or support  
10 committee begins and ends with the "campaign" of the candidate whose candidacy  
11 is supported, as defined in s. 11.26 (17), and the "campaign period" of any other  
12 registrant begins on January 1 of each odd-numbered year and ends on December  
13 31 of the following year. Section 990.001 (4) does not apply to the computation of time  
14 permitted for compliance with the filing requirements under this subsection. The  
15 board shall prescribe, by rule, requirements for persons who or which become subject  
16 to an electronic filing requirement under this subsection to file electronically any  
17 information that was reported by the persons by nonelectronic means before the  
18 persons became subject to the filing requirement imposed under this subsection.

19 **SECTION 72.** 11.21 (17) of the statutes is created to read:

20 11.21 (17) No later than 24 hours after receiving any information electronically  
21 under sub. (16), or if the information is received on a Saturday, Sunday or holiday  
22 specified in s. 230.35 (4) (a), no later than 24 hours after the beginning of the first  
23 business day after receiving such information, post the information electronically for  
24 public inspection on the Internet.

25 **SECTION 73.** 11.21 (18) of the statutes is created to read:

WS 67-17

~~Filing claims~~

(I) Filing claims.

If (b) 1/ Subject to the limitations provided in this subsection, a claimant may <sup>claim</sup> ~~as~~ a credit against the tax imposed under s. 71.02, up to the amount of those taxes, an amount equal to the claimant's <sup>own</sup> contribution not exceeding \$50 for each candidate to whom a political party committee to which the claimant makes a contribution.

(I) Limitation.  
Contribution.

If (c) 2/ Except as provided in paragraph (b), the total amount of the credits under this subsection shall not exceed \$100 in a taxable year for each claimant.

**DRAFTER'S NOTE**  
**FROM THE**  
**LEGISLATIVE REFERENCE BUREAU**

LRB-0311/2dn <sup>3dn</sup>

JTK/RJM/MES/JK:kg:km



September 27, 2000

1. This bill accomplishes your intended treatment of conduits in a more straight-forward manner than the treatment in 1997 LRB-4577/2. Rather than leaving conduit provisions in the law while eliminating the purpose for forming a conduit, this draft simply repeals the conduit provisions altogether. Please let us know if you have any questions regarding this treatment.

2. For this draft, we have included an appropriation but have specified "\$-0-" for expenditure in fiscal years 2001-02 and 2002-03. When you know the dollar amounts that you need to include in the proposal, contact us and we will either redraft the proposal or draft an amendment, whichever is appropriate. Please also be aware that since the biennial budget act repeals and recreates the appropriation schedule under s. 20.005 (3), stats., if this draft is introduced and becomes law before the biennial budget act, that act will eliminate any appropriation increase provided in this draft. Therefore, you may wish to seek incorporation of any desired appropriation increase into the biennial budget bill. h-c

3. Concerning proposed s. 11.19 (6), you may wish to exempt candidates for partisan office at a special election that is called concurrently with the spring election from the prohibition on retention of certain campaign moneys after December 31 of even-numbered years.

4. Upon reviewing the political party funding mechanism, we noted that 1999 LRB-1184/P1 did not contain any provision for disposal of moneys allocated from the checkoff on behalf of the candidates of a political party after that party ceases to be eligible for or withdraws from participation. This draft, therefore, provides for those moneys to be transferred to the general account of the Wisconsin election campaign fund.

5. Currently, ch. 11., stats., generally requires disclosure of financial activity by individuals and committees seeking to influence the election or defeat of candidates for state or local office [see ss. 11.01 (6), (7), (11), and (16), 11.05, and 11.06, stats.], unless a disbursement is made or obligation incurred by an individual other than a candidate or by a committee which is not organized primarily for political purposes, the disbursement is not a contribution as defined in the law and the disbursement is not made to expressly advocate the election or defeat of a clearly identified candidate [see s. 11.06 (2), stats.]. This language pretty closely tracks the holding of the U.S. Supreme

Court in *Buckley v. Valeo, et al.*, 96 S. Ct. 612, 656-664 (1976), which prescribes the boundaries of disclosure that may be constitutionally enforced (except as those requirements affect certain minor parties and independent candidates). Proposed s. 11.01 (16) (a) 3., which requires registration and reporting by individuals who or committees that make certain mass communications within 60 days of an election containing a name or likeness of a candidate at that election, an office to be filled at that election or a political party, appears to extend beyond the boundaries which the court permitted in 1976. As a result, its enforceability at the current time appears to

rest upon a shift by the court in its stance on this issue. In this connection, see also *North Carolina Right to Life, Inc. v. Elliott*, 168 F. 3d 705 (4th Cir. 1999), cert. denied, 120 S. Ct. 1156 (2000), in which the court voided North Carolina's attempt to regulate issue

I want to note briefly that a few of the provisions of this draft are innovative, and we do not yet have, to my knowledge, specific guidance from the U.S. Supreme Court concerning the enforceability of provisions of these types. It is well possible that a court may find a rational basis for these provisions that would permit them to be upheld. However, because of the concerns expressed by the U.S. Supreme Court in *Buckley v. Valeo, et al.*, 96 S. Ct. 612 (1976), and certain other cases, that attempts to regulate campaign financing activities may, in some instances, impermissibly intrude upon freedom of speech or association or upon equal protection guarantees, it is possible that enforceability problems with these provisions may occur. In particular, those provisions concerning which we do not have specific guidance at this time are:

(a) Proposed s. 11.12 (8), which requires candidates who do not accept public grants to file special reports that are not required of candidates who accept public grants.

(b) Proposed s. 11.24 (1v), which restricts the acceptance of contributions made by nonresident contributors.

(c) Proposed s. 11.50 (9) (b) and (ba), which provides public grants to qualifying candidates to match certain independent disbursements and disbursements exceeding the disbursement limitations by candidates who do not accept public grants. Although relevant case law has developed regarding this issue in the federal courts of appeal, there is no consensus among these courts on this issue. Due to the unsettled nature of the law in this area, it is not possible to predict how a court would rule if proposed s. 11.50 (9) (b) or (ba) were challenged.

(d) Proposed s. 11.19 (1m) and (6), which mandates disposal of certain campaign funds in a specified manner.

(e) Proposed s. 11.26 (8m), which prohibits committees from making contributions to certain other committees. Although the U.S. Supreme Court has not ruled on the enforceability of a provision of this type, the court has indicated some willingness to permit limits on contributions beyond those specifically approved in *Buckley v. Valeo*, 424 U.S. 1. See *California Med. Assn. v. FEC*, 453 U.S. 182, 193-99 (1981) (\$5,000 limitation on individual-to-PAC contributions is a reasonable method of preventing individuals from evading limits on direct campaign contributions).

If you need further information or would like to make any changes based on the above information, please let us know.

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**DRAFTER'S NOTE**  
**FROM THE**  
**LEGISLATIVE REFERENCE BUREAU**

LRB-0311/3dn  
JTK/RJM/MES/JK:kg:km

December 13, 2000

1. This bill accomplishes your intended treatment of conduits in a more straight-forward manner than the treatment in 1997 LRB-4577/2. Rather than leaving conduit provisions in the law while eliminating the purpose for forming a conduit, this draft simply repeals the conduit provisions altogether. Please let us know if you have any questions regarding this treatment.

2. Please be aware that since the biennial budget act repeals and recreates the appropriation schedule under s. 20.005 (3), stats., if this draft is introduced and becomes law before the biennial budget act, that act will eliminate the appropriation increase provided in this draft. Therefore, you may wish to seek incorporation of any desired appropriation increase into the biennial budget bill.

3. Concerning proposed s. 11.19 (6), you may wish to exempt candidates for partisan office at a special election that is called concurrently with the spring election from the prohibition on retention of certain campaign moneys after December 31 of even-numbered years.

4. Upon reviewing the political party funding mechanism, we noted that 1999 LRB-1184/P1 did not contain any provision for disposal of moneys allocated from the checkoff on behalf of the candidates of a political party after that party ceases to be eligible for or withdraws from participation. This draft, therefore, provides for those moneys to be transferred to the general account of the Wisconsin election campaign fund.

5. Currently, ch. 11., stats., generally requires disclosure of financial activity by individuals and committees seeking to influence the election or defeat of candidates for state or local office [see ss. 11.01 (6), (7), (11), and (16), 11.05, and 11.06, stats.], unless a disbursement is made or obligation incurred by an individual other than a candidate or by a committee which is not organized primarily for political purposes, the disbursement is not a contribution as defined in the law and the disbursement is not made to expressly advocate the election or defeat of a clearly identified candidate [see s. 11.06 (2), stats.]. This language pretty closely tracks the holding of the U.S. Supreme Court in *Buckley v. Valeo, et al.*, 96 S. Ct. 612, 656-664 (1976), which prescribes the boundaries of disclosure that may be constitutionally enforced (except as those requirements affect certain minor parties and independent candidates). Proposed s. 11.01 (16) (a) 3., which requires registration and reporting by individuals who or

committees that make certain mass communications within 60 days of an election containing a name or likeness of a candidate at that election, an office to be filled at that election or a political party, appears to extend beyond the boundaries which the court permitted in 1976. As a result, its enforceability at the current time appears to rest upon a shift by the court in its stance on this issue. In this connection, see also *North Carolina Right to Life, Inc., v. Bartlett*, 168F. 3d 705 (4th Cir. 1999), cert. denied, 120 S. Ct. 1156 (2000), in which the court voided North Carolina's attempt to regulate issue advocacy as inconsistent with *Buckley*.

I want to note briefly that a few of the provisions of this draft are innovative, and we do not yet have, to my knowledge, specific guidance from the U.S. Supreme Court concerning the enforceability of provisions of these types. It is well possible that a court may find a rational basis for these provisions that would permit them to be upheld. However, because of the concerns expressed by the U.S. Supreme Court in *Buckley v. Valeo, et al.*, 96 S. Ct. 612 (1976), and certain other cases, that attempts to regulate campaign financing activities may, in some instances, impermissibly intrude upon freedom of speech or association or upon equal protection guarantees, it is possible that enforceability problems with these provisions may occur. In particular, those provisions concerning which we do not have specific guidance at this time are:

(a) Proposed s. 11.12 (8), which requires candidates who do not accept public grants to file special reports that are not required of candidates who accept public grants.

(b) Proposed s. 11.24 (1v), which restricts the acceptance of contributions made by nonresident contributors.

(c) Proposed s. 11.50 (9) (b) and (ba), which provides public grants to qualifying candidates to match certain independent disbursements and disbursements exceeding the disbursement limitations by candidates who do not accept public grants. Although relevant case law has developed regarding this issue in the federal courts of appeal, there is no consensus among these courts on this issue. Due to the unsettled nature of the law in this area, it is not possible to predict how a court would rule if proposed s. 11.50 (9) (b) or (ba) were challenged.

(d) Proposed s. 11.19 (1m) and (6), which mandates disposal of certain campaign funds in a specified manner.

(e) Proposed s. 11.26 (8m) and (8n), which prohibits committees from making contributions to certain other committees. Although the U.S. Supreme Court has not ruled on the enforceability of a provision of this type, the court has indicated some willingness to permit limits on contributions beyond those specifically approved in *Buckley v. Valeo*, 424 U.S. 1. See *California Med. Assn. v. FEC*, 453 U.S. 182, 193-99 (1981) (\$5,000 limitation on individual-to-PAC contributions is a reasonable method of preventing individuals from evading limits on direct campaign contributions).

If you need further information or would like to make any changes based on the above information, please let us know.

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# State of Wisconsin

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December 14, 2000

### MEMORANDUM

To: *Sen Brian Burke*  
~~Representative Boock~~

From: Jeffery T. Kuesel, Managing Attorney

Re: LRB-0311 Campaign finance, lobbying and income tax changes

The attached draft was prepared at your request. Please review it carefully to ensure that it is accurate and satisfies your intent. If it does and you would like it jacketed for introduction, please indicate below for which house you would like the draft jacketed and return this memorandum to our office. If you have any questions about jacketing, please call our program assistants at 266-3561. Please allow one day for jacketing.

☐ JACKET FOR ASSEMBLY ☒ JACKET FOR SENATE

If you have any questions concerning the attached draft, or would like to have it redrafted, please contact me at (608) 266-6778 or at the address indicated at the top of this memorandum.

If the last paragraph of the analysis states that a fiscal estimate will be prepared, the LRB will request that it be prepared after the draft is introduced. You may obtain a fiscal estimate on the attached draft before it is introduced by calling our program assistants at 266-3561. Please note that if you have previously requested that a fiscal estimate be prepared on an earlier version of this draft, you will need to call our program assistants in order to obtain a fiscal estimate on this version before it is introduced.

Please call our program assistants at 266-3561 if you have any questions regarding this memorandum.

0311/3

SB-62

#. Page 72, line 4: delete

"(1) and (2)" and substitute

"(2) and (3)".

KMG:



State of Wisconsin  
2001-2002 LEGISLATURE

**CORRECTIONS IN:**

**2001 SENATE BILL 62**

Prepared by the Legislative Reference Bureau  
(April 18, 2001)

1. Page 72, line 4: delete "(1) and (2)" and substitute "(2) and (3)".